

EVALUATION OF THE PROGRAMS OF JUNIOR ACHIEVEMENT RUSSIA

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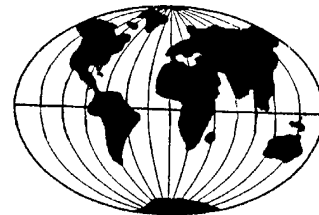
Evaluation Team:

C. Stark Biddle, *Team Leader*

Thomas R. Hutson

Alexander Borovikh

Ekaterina V. Greshnova



Submitted by:

Development Associates, Inc.

1730 North Lynn Street

Arlington, VA 22209-2023

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EXECUTIVE SUMMARY

This is an evaluation of USAID/Russia's support of the Russian Junior Achievement Program (JA Russia). The Program provides education materials to Russian students in the areas of business, management and the market economy.

Junior Achievement Russia was registered in 1991 as a non-profit organization headquartered in Moscow. The following year, four regional centers were established with the assistance of a grant from USAID. The program has expanded rapidly, is administered by 32 Regional Centers and has reached a total of 2.5 million Russian students since its inception. Since it began, JA Russia has received \$2.6 million in USAID grants that have been used primarily to translate, publish and print the educational materials distributed to schools and to train teachers in the application of Junior Achievement teaching methodology. Recently, USAID support has emphasized the building of a strong, sustainable, nationwide institutional structure.

This evaluation constitutes an assessment of the overall JA Russia Program. The report is designed to respond to four interrelated questions:

1. *Has JA Russia reasonably complied with the spirit of intent of the grant agreements it has received from USAID?*
2. *Does the JA Russia program have a meaningful impact on attitudes, values and choices made by student participants?*
3. *Has JA Russia been able to build a strong and durable central and regional structure that is capable of significant growth and potential expansion into new areas?*
4. *Is there a reasonable prospect for financial and organizational sustainability within the foreseeable future?*

An important cross-cutting goal of the evaluation is to assess the overall institutional strength of the organization and determine whether JA Russia could grow at a more aggressive rate and assume additional responsibilities.

The evaluation was carried out by a 4-person team composed of two American specialists and two Russian professionals. A series of initial interviews were held in Moscow with USAID and JA Russia staff. The Team then split into two units and traveled to 6 Russian cities. During these visits the Teams met with JA Russia regional representatives, JA Russia regional trainers, teachers, school officials, board members and government representatives. Focus group discussions were held with trainers, teachers and students and extended one on one meetings were held with regional representatives, government officials and several school officials. The Team returned to Moscow for further interviews and briefed both JA Russia and the USAID Mission on the principal findings and conclusions that are contained in the Report.

1. Has JA Russia reasonably complied with the spirit of intent of the grant agreements it has received from USAID?

JA Russia has effectively distributed a large quantity of educational material through its distribution system. If the program is to expand significantly, alternative mechanisms for producing educational materials will need to be explored.

JA Russia educational materials are reaching target groups for which they were intended. While early JA Russia material tended to be American-centric, this deficiency has been addressed.

The current content of the curriculum material is viewed as good to excellent by teachers and school officials. The emphasis on student participation, student games and practical applications get high marks.

The teacher training programs are perceived by teachers and school administrators as being of good quality.

The demand for JA Russia educational material exceeds supply. There is broad concern among teachers and officials that the quantity of curriculum material is below the levels that are needed to maximize potential benefit.

Despite the recent impressive growth in the size of Program, at the current time it is only covering a small proportion of the Russian student population.

While not intentionally overstated, JA Russia statements of numerical participation create an impression of broader impact than in fact is the case.

2. Does the JA Russia program have a meaningful impact on attitudes, values and choices made by student participants?

While difficult to measure, participants indicated that the program has had a constructive impact on student attitudes, aspirations and long term career planning.

The potential value of business leader participation in school activities and the establishment of student mentoring programs have not been realized because it is difficult to locate business volunteers.

While the JAR program modules emphasize ethical business practices, they do not address the larger and more complex challenge of corporate responsibility and the role of the business sector in building social capital.

The Junior Achievement methodology has a variety of important ancillary benefits that go beyond the transfer of curriculum material. These include adjunct projects and activities that are started in the schools because of the JA Program influence such as the initiation of summer camps, the involvement of students in related extracurricular activities, inter and intra school competitions and student participation in volunteer community programs.

3. *Has JA Russia been able to build a strong and durable central and regional structure and is that structure capable of significant growth and potential expansion into new areas?*

The regional centers are at a very early stage of organizational development. While they are led by intelligent and motivated individuals, they do not yet have the institutional resources that are needed to accomplish accelerated growth or capitalize on the creative energies of the individuals that lead them.

None of the regional centers have developed a multi-year growth plan and they are only dimly aware of the importance of long range planning; several of the centers do not prepare an annual budget and most are not aware of their cost structure as a basis for long term planning.

Regional representatives are not trained in strategic thinking or planning and do not think about their future in strategic terms.

Governance structures are at a nascent stage of development. In general, regional offices do not understand the role and function of boards of directors or the importance of a community board to the long term success of the organization.

Regional centers lack technical and substantive depth in curriculum design and planning that could help them work more effectively with school officials and with government ministries.

The regional centers are not able to cover the costs of curriculum materials or to cover the costs of the imaginative and important initiatives that many of them would like to undertake.

In general, Regional representatives do not feel that they are part of an integrated institution with shared goals and objectives. They tend to view decision making within JA Russia as concentrated and centralized in Moscow. Several indicated that they did not believe the governance structure was participatory or that their membership in the national association translated into constructive collaboration.

JA Russia has not yet developed a financial growth strategy based on the cost structure of the program and the organizational structure of the institution.

4. *Is there a reasonable prospect for financial and organizational sustainability within the foreseeable future?*

Charitable giving is at an early stage in Russia. The long-term prospects for an organization like JA Russia are positive.

The JA Russia national organization does not raise any funds for its regional affiliates or provide background promotional or advertising support or technical assistance.

The regional offices have a very limited understanding of fund raising of how to develop a fund raising plan, how to nurture constituent support, how to prepare a case statement, evaluate donor prospects or make an effective presentation to generate support.

Regional representatives are skeptical that their fund raising efforts would bear fruit, most believe that the commercial sector will not contribute and all lack persuasive hand out materials focused on different target groups.

While there are exemplary exceptions, the regional centers have done very little to establish fund raising boards or cultivate private sector support. It is unlikely that they will be able to do this without considerable advice, guidance and support.

Because the JA program has understandably grown in those schools where the entry and expansion process was the easiest, the next stage of expansion is likely to be much more difficult.

On a positive note, several regional centers have been successful at establishing supportive relations with local government. This is a significant asset that may ultimately lead to direct financial support.

Unless the regional centers are able to develop their organizational capacities (planning, fund raising, board development and technical depth) it is unlikely that they will be able to generate adequate local private sector support to significantly expand or to eventually pay for the curriculum materials that Moscow is providing.

PRIMARY CONCLUSIONS

JA Russia has done a good job in adapting, translating and distributing high quality educational materials to participating schools.

JA Russia has trained a cadre of teacher-trainers who are respected and viewed as professional, and competent.

The JA Russia replication model (training of trainers) has proven to be an effective mechanism for broadening and deepening coverage and impact.

The JA program has important benefits with respect to secondary activities and with regard to attitudinal change among students, parents, teachers and school officials. These benefits need to be included in any assessment of impact.

The limited availability of teaching materials is a serious constraint that will need to be addressed if the program is to continue to expand.

Program content, administration and the prospects for accelerated growth will be enhanced if regional representatives have a deeper grasp of education policy issues and a better capacity to engage with local government officials.

On the basis of observation and anecdotal feedback, the JA program has a high degree of student acceptance.

The popularity of the JA Program is related primarily to its real-world content which sets it apart from more theoretical education.

Impact on student attitudes and long term career choices could be improved if JA Russia added an educational model on corporate responsibility.

The regional units are at a very early and fragile stage of organizational development. They are weak in the areas of strategic planning, fund raising and board development.

If the regional centers are to realize their very significant potential they will need considerable help in structuring and implementing a strong fund raising effort. This should include board development, strategic planning, constituent development and a better understanding of how to approach prospective donors.

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The Moscow office does not currently have the capacity to provide the organizational assistance that will be needed to support the professional development of the regional centers.

If the Moscow office is to eventually provide the support to the regions that will be needed to nurture their development it will itself need to alter its governance structure, change the way it interacts with the regional offices and be more open to outside assistance from JA Worldwide and/or from other sources of support.

While the JA Russia program is potentially attractive to private sector donors, it will be several years before JA Russia is able to build a board structure and fund raising program that will reliably attract sustaining support from the private sector.

JA Russia is excessively reliant on USAID funding and must develop a realistic multi-year program to address this issue. At the current time, if USAID support terminates, the relevance and credibility of the JA Russia curriculum material will very quickly deteriorate.

The JA Russia program possesses attributes that make it potentially attractive to the private sector. In the long run the institution can become financially sustainable if it can go through the difficult process of organizational maturation.

PRIMARY RECOMMENDATIONS

USAID should adopt a multi-year strategic approach based on a mutually agreed set of objectives designed to build the organizational strength of the regional units.

USAID should not attempt to impose a particular strategy but rather take a position that the future of JA Russia is the responsibility of the leadership; that the potential appears to be high

and that the Mission will be responsive to thoughtful proposals that are designed to strengthen long term institutional viability.

USAID should work closely and interactively with JA Russia in preparing the next funding proposal. It is critical that JA Russia understand the depth of the organizational issues that it will need to address and that it approach these challenges in an open and accepting manner.

The Mission should encourage JA Russia to seek expert assistance in the area of executive development, organizational learning, fund raising, planning and board development and should be responsive to funding proposals that include these elements.

Prior to provision of further funding, USAID should insist that JA Russia initiate a serious long term planning process. This process should address the nature of the relationship between the Moscow office and the regions and should examine alternative growth strategies.

USAID should insist that JA Russia prepare a long term budget plan for the National Office and for the Regional Centers. This plan should be designed to diversify income sources and reduce reliance on USAID funding.

As part of the planning process, USAID should encourage JA Russia seriously to review alternative governance structures optimally designed to support program growth and expansion.

The Mission should be responsive to proposals that will provide management assistance to the Regional Centers in the areas of planning, fund raising and board development.

Over the long run, the Team recommends that USAID support to JA Russia increasingly shift to support the Regional Centers.

EVALUATION OF THE PROGRAMS OF JUNIOR ACHIEVEMENT RUSSIA

INTRODUCTION

This is an evaluation of USAID/Russia's support of the Russian Junior Achievement Program (JA Russia).¹ The Program provides education materials to Russian students in the areas of business, management and the market economy. JA Russia also provides teacher training and prepares students to participate in national and international competitions where students apply economic theory to practical business situations. The JA Russia program currently contributes to USAID/Russia's Strategic Objective (SO) 1.31 Small and Medium-size Enterprise Sector Strengthened and Expanded, and supports the Mission's SO2.11 To Foster More Open and Participatory Society.

BACKGROUND

From its headquarters in Colorado Springs, Junior Achievement supports 145 U.S. area offices, as well as operations in more than 100 countries worldwide.² Founded as an after-school business club in Massachusetts in 1919 by the President of Strathmore Paper Company, Junior Achievement (JA) has grown into a comprehensive, international program that prepares young students for the modern world of business, while promoting entrepreneurship.

In 1955, JA expanded abroad for the first time — to Canada. Other international programs quickly followed, in the United Kingdom, Mexico and the Philippines, leading to creation of Junior Achievement International, based in Atlanta.

By 1988, more than one million students per year were estimated to take part in Junior Achievement programs. In the early 1990s, a curriculum for grades K-6 was launched, thereby adding JA programs into the classrooms of another million elementary students.

The fall of the Berlin Wall, the subsequent dismemberment of the Soviet Union and the broad shift to market based economies worldwide brought a dramatic increase of interest in JA programs, resulting in the establishment of Junior Achievement in more than 100 countries with program materials available in over 40 languages.

Junior Achievement Russia (JA Russia) was registered in 1991 as a non-profit interregional public organization headquartered in Moscow. The following year, four regional centers were established with the assistance of a grant from USAID to train 3000 students. The next year the Eurasia Foundation provided a grant for "School Companies," and a pilot project was undertaken for elementary students. By 1996 JA Russia was reaching 500,000 Russian students.

¹ In this Report the term "JA Russia" is used to refer to the entire Junior Achievement organizational structure including the Moscow Office and the Regional centers. It is understood that the program is administered by separate, independent entities that are loosely affiliated through a Council governance structure.

² Much more information is available about JA at home and abroad at its website (www.ja.org) or from the book JUNIOR ACHIEVEMENT: A History by Joe Francomano and Wayne & Darryl Lavitt.

In 1999, with support from USAID JA Russia equipped many of the regional centers with computers and established the “JA Russia On-Line” initiative. Since then, participation has expanded to 6,500 teachers and 869,000 students — second only to JA programs in the U.S.A.

In 2000 the Canadian International Development Agency made a major grant to JA Russia as did the John Templeton Fund. That year, JA Russia for the first time reached a million students in its various programs throughout Russia.

JA materials were the first educational materials in the area of economics to appear in Russia, and for 5 years (1991-1996) they remained the only ones available for school teachers and their students. Initially these materials were based exclusively on the US experience and practices. Subsequently, Russian case studies and examples were added and the material was fully adapted to the Russian experience.

Since November 1998 JA Russia has been administering the following activities funded by \$2.6 million in USAID grants for the period November 1998 to December 2003.

Publication and distribution of Junior Achievement program materials including:

- ▶ The Seven Steps into the World of Economics – 15,500 program kits for Elementary and Early Middle School.
- ▶ The Next Step – 3000 program kits for Middle School and 3,200 Applied Economics program kits for High School students.
- ▶ Simple Words” Contest materials - 30,000 copies of student guides and 2,000 copies of teachers guides.
- ▶ The design and conduct of training for trainer’s sessions with cumulative training provided by trainers to approximately 7,000 teachers.
- ▶ The establishment of “JA Russia On-Line”, a computer network designed to improve internal communication within the JA Russia network and provide access to both school students and teachers in 30 regional centers.
- ▶ A variety of programs ms designed to deepen and expand student interest and understanding in ethical and successful business practices including:
 - 37 JA Russia national events such as National Student Company Rallies, National Student Company Trade Fair, computer simulation Contests and essay contests.
 - Participation in 30 international projects and events designed to convey the importance of market based economies, the role of business in a global economy; the commitment of business to operate in an ethical manner; the relevance of education in the workplace and the impact of economic factors in the future.

As reported by JA Russia as of September, 2003 the program had reached a total of 2.5 million Russian students since its inception with a total of 1.8 million students participating in the program since USAID funding began.

As a member nation of JA International, JA Russia reports to a small international staff currently located in Atlanta. The international operations staff in Atlanta numbers only five professionals, supplemented by regional staff in Africa, Central Asia and Europe — another ten staff members — bringing the total to 15. With the recent establishment of Junior Achievement Worldwide, the Atlanta staff will move to JA Worldwide headquarters in Colorado Springs within the next two years.

PURPOSE OF EVALUATION

This evaluation constitutes an assessment of the overall JA Russia Program. The report is designed to respond to a series of questions raised in a Scope of Work which is attached at Appendix A. That document identified a series of core concerns and also suggested a number of specific issues for optional analysis.

To summarize, the Scope of work called for an evaluation that would provide analysis and guidance to USAID and to JA Russia in response to four interrelated questions:

5. *Has JA Russia reasonably complied with the spirit of intent of the grant agreements it has received from USAID?*
6. *Does the JA Russia program have a meaningful impact on attitudes, values and choices made by student participants?*
7. *Has JA Russia been able to build a strong and durable central and regional structure that is capable of significant growth and potential expansion into new areas?*
8. *Is there a reasonable prospect for financial and organizational sustainability within the foreseeable future?*

Important specific additional questions that support the central thrust of the evaluation included:

- Is support from the Central Office to the regional centers sufficient to enable them to provide their expected functions?
- What is the level of local business community's interest in JA Russia?
- How well is the economic education program integrated into the regular school curriculum?
- How effective is communication between the field and the national office?
- Do the regional centers have strong and supportive advisory boards?
- Are the Boards of Directors capable of seeking grants and developing long-term strategic plans without outside assistance?

A cross-cutting goal of the evaluation was to identify where JA Russia is in its organizational development and determine whether the organization could grow at a more aggressive rate and/or assume important additional responsibilities.

APPROACH

In the Summer of 2004, following a competition, a team from Development Associates, Inc., was selected by USAID/Moscow to undertake an evaluation of the JA Russia Program. The team was composed of two American specialists and two Russian professionals.

Prior to the evaluation mission, interview and focus group guides were prepared by the Team together with a list of desirable background material and a list of interviewee categories. Upon arrival in Moscow, these documents were provided to and discussed with the USAID/Mission and with the Moscow JA Russia Office.

Despite initial delays, the Team was able to conduct a focus group discussion with teacher trainers in Moscow and also conducted one meeting with a corporate donor and one meeting with a national board member in Moscow. Further attempts to interview Moscow based government officials, board members and donors were not successful. To remedy this constraint, travel plans were altered in order to leave adequate time for Moscow interviews after field visits had been completed.

The Team split into two units and visited six cities. The JA Russia Moscow office helped in the preparation of these plans and provided an initial contact point to help coordinate interviews once the Team arrived. During these visits the Teams met with JA Russia/regional representatives, JA Russia/regional trainers, teachers, school officials, board members and government representatives. Focus group discussions were held with trainers, teachers and students and extended one on one meetings were held with regional representatives, government officials and several school officials. All respondents were told that the Meetings were “off the record” and it was emphasized that there would be no individual attribution although interviewees would be listed in the Report.

All of the regional offices that were visited were very cooperative, helpful and supportive.

After their return to Moscow, the Team held several synthesis sessions in order to share information and develop a consensus view. Unfortunately, it was not possible for the JA Russia Moscow office to schedule interviews with additional JA Russia board members, with corporate sponsors or with government officials.

In part to rectify this situation, the Team asked if one or more of its members could attend the annual JA Russia conference that was being held in Moscow at that time in order to meet additional regional representatives. However, it was felt by the JA Russia Moscow office that there was inadequate time in the schedule to permit these additional discussions.

The Team prepared a preliminary and tentative list of findings and briefed the JA Russia Moscow office. Based on these discussions, the Team revised their findings and briefed USAID

officials. A draft Report (this document) was prepared 10 days later and submitted to USAID/Moscow for comment.

CAVEATS

The focus of this evaluation is on performance, institutional strengths and weaknesses, and beneficiary impact and **not** on the technical content of the JA Russia curriculum material.

In view of the size of the country and the diversity of the different JA Russia programs, the Regional Centers that were visited by the Evaluation Team may not have been representative.

Although the Team was able to conduct focus group discussions with teachers and students, it was not possible to fully eliminate external influences such as adult participation. In addition, these sessions provided only “snapshot” impressions as opposed to comparative information over a period of time.

In general, while the Team had ample access to students and teachers and regional representatives, it had only modest access to government officials and limited access to board members and prospective funders.

The very limited number of interviews in the Moscow area reduces the reliability of information regarding the financial and organizational sustainability of the National Office.

CENTRAL FINDINGS

This Section is organized around the four core questions embodied in the Scope of Work. Each section lists a series of “findings” and provides supporting explanation for each.

5. *Has JA Russia reasonably complied with the spirit of intent of the grant agreements it has received from USAID?*³

- ▶ JA Russia has effectively distributed a large quantity of educational material through its distribution system.

An important JA Russia function is to efficiently distribute education materials to participating schools with those materials arriving at the right time and in the correct quantities.

Within the boundaries of the current distribution system, JA Russia has established an effective mechanism for distributing school materials. Issues involving the logistics of distribution were low on the list of regional concerns. While there were some complaints regarding late arrival and some concern regarding shipping costs which the regional centers cover, the distribution system appears to be functioning effectively.

³ Although USAID support has spanned a 5 year period, the integrating objectives are straightforward and include education of students in economics, business and the role of the market economy; the strengthening of positive and ethical attitudes toward business and the free market economy; the building of entrepreneurial skills and the establishment of a strong and viable institutional structure that will be able to function after USAID support has ended.

However, if the program is to expand significantly in coming years, JA Russia will need to explore alternative mechanisms for providing educational materials including the possibility of local production and local curriculum adaptation.⁴ Regional Center Directors in more distant sites such as the Far East believe they should receive special for the extra transportation costs of curriculum materials which can easily be double, triple the cost of shipping nearer sites.

- ▶ JA Russia educational materials are reaching target groups for which they were intended.

The Evaluation Team noted that there were relatively few indications of inventory build up, diversion, or incomplete use, although there were periodic complaints that the material was out of date. In several focus group discussions with teachers the point was made that the early JA Russia material tended to be American-centric and that the examples and case studies derived from American not Russian experience. There was unanimous agreement that the material has improved significantly in recent years.

- ▶ The current content of the curriculum material distributed by JA Russia is viewed as good to excellent by teachers and school officials.

The Evaluation Team was told repeatedly that the materials distributed by JA Russia were useful, relevant and well presented. Teachers and school administrators liked the emphasis on student participation, student games and competitions and the practical real-life orientation of the teaching guides.

The most recent translations were viewed as high quality and significantly better than previous editions. Several respondents remarked that the quality of translation had improved and was excellent.

Teachers and trainers (“methodologists”) in all the seven regions especially stressed that the materials not only provide easy to understand notions and ideas of the market economy, but also give children an opportunity to apply new knowledge and skills. All the teachers stressed that the most valuable part of any JA Russia program is the workbooks, handouts and exercises that children can do and use during the lessons. Traditionally the school curricula in Russia are academic, and the teachers and children enjoy real life interactive lessons.

- ▶ The curriculum material is viewed as being well adapted and relevant to the Russia context and experience; the American connection is viewed as positive and does not appear to carry a negative association.

(The Evaluation Team was interested in determining whether or not the curriculum material provided by JA Russia carried negative connotations because it was designed in American and might be perceived to reflect an American approach to business and management.)

⁴ JA Russia correctly notes that according to the current terms and conditions of the Operational Agreement with JA Worldwide, JA Russia cannot transfer the exclusive right and license to use, reproduce, or translate JA material to local affiliates. While this constitutes a barrier, in view of the size, importance and unique geographic characteristics of Russia, alternative low cost distribution and publication mechanisms need to be creatively explored with the parent organization.

Respondents with near unanimity indicated that the American connection was not problematic, that the linkage was either not apparent or rarely surfaced as a concern. To the extent that the American influence did surface it was viewed by teachers and students as a positive attribute.

Respondents were emphatic in their judgment that JA Russia has created an effective system for adjusting the materials to Russian conditions. While there was some concern regarding the quality of the material that was initially distributed when JA Russia began to function, the content has been substantially modified since 1991. The adaptation process involves translation into Russian, transmittal to participating schools, systematic feedback from teachers and modification with help from consultants as necessary. In general, most of the changes have focused on adjusting the workbooks, student exercises and case study examples to more accurately mirror Russian conditions.

- ▶ The JA Russia teacher training programs are perceived by teachers and school administrators as being of good quality; teachers and teacher trainers were broadly enthusiastic about the quality of the training they received and several indicated that they had become “converts” to the JA Russia model.

Since 1998 JA Russia’s reports indicate that they have sponsored a total of 1,200 seminars in 50 regions of the Russian Federation and have trained 7000 teachers in how to apply the Junior Achievement curriculum. In this regard the Evaluation Team conducted several focus group sessions with both teacher-trainers and with teachers who had been trained. These discussions did not surface any serious criticism of the content of the training program. Trainers appeared to have a strong professional grasp of the material and were universally positive about the quality of training and the practical utility of what they learned. While there was some concern with regard to the quality and relevance of the early training material, the more recent training sessions were rated as good to excellent. The Team noted that several of the teachers have later become trainers and several were sufficiently motivated to establish a regional Junior Achievement Center as was the case with Tatiana Karasyova who participated as a teacher in a training program in Vladivostok and subsequently established a center in Angarsk when she moved to that city.

- ▶ The demand for JA Russia educational material exceeds supply.

There is broad concern among teachers and officials that the quantity of curriculum material is below the levels that are needed to maximize potential benefit. While there are practical ways to economize and extend the useful life of curriculum material, the frequency of concern convinced the Evaluation Team that creative mechanisms need to be explored in order to more fully satisfy demand.

Scarcities appear to fall into three categories.

- ▶ First there are occasional instances of late delivery complicated by the fact that the Regional units are required to pay shipping costs which can be quite significant. Late delivery is especially problematic for those teachers who have just started working with the program.

- ▶ A second problem is the limit on the number of kits provided to each school. While teachers and administrators understand that JA Russia has limited financial resources, virtually all that were interviewed indicated that they could productively use a larger number of teaching kits.
- ▶ A third problem involves the limit on the workbook materials. Each kit contains the Teacher's Book and 30 copies of handouts on the premise of a class size of 30 students. While Teacher's Books can be used for several years, the Students' workbooks, worksheets and handouts can be used only once, and if there are more than 30 children in the class, some students have to share them. In order to economize, some teachers give out workbooks for the lesson and then collect them when the lesson is over.⁵

Despite the recent impressive growth in the size of the JA Russia Program, at the current time the Program is only covering a small proportion of the Russian student population.⁶

Using JA Russia data, a total of 1.8 million Russian students have had some direct contact with the JA Russia program during the 13 years covered by the USAID grants. Some of these students were in the program for only a short time while others participated for several years.⁷

(As noted below, it is important to emphasize that exposure does not necessarily mean that learning has occurred or that attitudes have been changed.)

In any single year, roughly 450,000 students age 6-18 will participate in a JA Russia program. While this is a significant number, with a total student population of 17.1 million it represents only 2.3% of the student population. If, for example, JA Russia had a goal of reaching 10% of the student population it would have to more than quadruple the current level of effort.

In those schools where JA Russia has a significant presence, student participation is normally in the range of 10% to 25%, although in a few schools it may reach 50%.

⁵ According to Mrs. Kuznetsova, component materials are available at the JA Russia site in electronic format, and the Regions are allowed to reproduce as many copies of the work books as the teacher's desire. However, as a practical matter, school officials were either unaware of this resource or did not have the capacity to use it. Printing a large number of handouts is a problem for most Russian schools because very few of them have copying machines, or are able to pay for external copying. All that limits the children's access to the most exciting and inspiring part of the JA program – practical work.

⁶ This is important not only with respect to future potential but also with regard to organizational planning. If as a matter of strategy JA Russia decides to target a significant percentage of the student population this will have very important implications with respect to organizational size and structure. Alternatively, JA Russia may decide to concentrate where it is likely to have greatest qualitative impact on the development of a cadre of business leaders. As noted in other sections, if the program is to realize its full potential, a different type of organizational structure may need to be put in place.

⁷ In Volgograd, JA Russia programs are in about 50 of the 374 schools in the District or 13%. In those schools where JA is present, roughly half of the students will have some contact with the program during their period of education. In Primorsky kray and Vladivostok the JA program is offered in roughly 25% of the schools and in Angarsk in 27% of the schools. In those schools, student participation in the JA Russia program is estimated at roughly 30%. In Yekaterinburg and Sverdlovsk, JA Russia is in roughly 10% of the schools and in Kazan and the Republic of Tatarstan in about 5%.

For Novosibirsk the data on schools is not available, but according to the regional director, out of 748,000 schoolchildren about 8 thousand participate in the JA Russia program.

Coverage in poorer rural areas is weak and there is anecdotal evidence that the JA Russia program is more likely to be introduced in relatively well funded urban schools than in poorer rural schools. These areas are difficult and costly to reach and the schools lack the financial resources to add enrichment programs and teachers tend to be unfamiliar with the JA Russia Program.

- ▶ While not intentionally overstated, JA Russia statements of numerical participation create an impression of broader impact than in fact is the case.

Students and teachers emphasized that the benefit of the Program are cumulative and occur over a period of time with relatively little student learning from a single exposure to the JA curriculum. For this reason, annual numbers on students reached may not reflect impact. If these students have been in the program for several years, the learning impact is likely to be significant. If they have been in the program for only a single year, the impact will be much less.

For the same reason, the collection of annual data can create an inflated picture of the number of students reached since the same students are being counted for several years. There is nothing inherently wrong or intentionally misleading about this practice, but it does tend to create an impression of a larger program than in fact is the case.⁸

- ▶ Continued expansion of the JA Russia program within a particular region will increasingly depend on the ability of the regional representatives to work constructively with local officials from the departments of education and to advocate persuasively for greater emphasis on business education.

Based on observation and on comments from the teachers that were interviewed, the success of JA Russia programs depends significantly on the ability of local representatives to understand local educational policy issues and to present and modify the JA program in a way that will align with local educational goals and priorities. In a related vein, the success of the JA program in a particular area will be heavily influenced by the networking skills of the local representative and that person's capacity to forge constructive relationships with government officials. (As noted elsewhere, the Team was impressed by the high quality of local leadership and the ability of these individuals to establish good working relationships with local officials.)

It was noted by the Team that in some regions adoption of the JA Russia Program is seriously handicapped because the Program has not been certified by the Federal Ministry of Education. As a consequence, teachers who are interested in using the JA Russia program must invest greater time and effort in choosing this option than would otherwise be the case. In at least one instance, the Team was informed that a teacher simply listed the name of another program and proceeded to use the JA material even though technically this was disallowed.⁹

⁸ JA Russia correctly notes that their database management system to track student numbers reflects and complies with the system approved by JA worldwide. Both software and web-based systems are used.

⁹ When asked about this impediment, the JA Moscow Director stated that certification was not a serious problem and that if the JA Russia material was certified; other programs of lesser quality would also be certified. Because this perspective differs significantly from what the Team was told during field visits, further analysis is clearly warranted. At this point, the Team believes that if JA Russia intends to become a significant player in Russia education, it will need to seriously pursue certification.

6. *Does the JA Russia program have a meaningful impact on attitudes, values and choices made by student participants?*

- ▶ The JA Russia program has a constructive impact on student attitudes, aspirations and long term career planning.

Students that were interviewed and that participated in focus group discussions were positive about the JA experience. (Although many of these discussions were artificial because teachers and school officials were present at the time.)

School children in all the regions stated that JA programs help to develop practical skills. Students were particularly enthusiastic about the School Company program and the practical experience of managing a company of their own.¹⁰

School teachers and school officials were supportive, enthusiastic and very positive about the value and impact of the JA curriculum.

Students and teachers were particularly enthusiastic about participatory applications such as game playing, role playing and the establishment of school companies.

The JA Russia material is in general viewed by teachers and administrators as preferable to alternative material available through the Ministry of Education because it is seen as more practical, less academic and more pertinent to real-life situations.

When asked, students indicated that their JA Program experience would make them better at business, more likely to succeed and more accomplished in their interpersonal dealings. Several indicated that their exposure to the JA Program had influenced their career decisions in favor of business. Discounting for the presence of observers and the propensity of the students to please foreign visitors, the Team nevertheless concluded that the program had a significant positive impact on student understanding of open market practices, the role of private enterprise and indirectly on student values and career planning.

Opportunities to travel, to compete in national perhaps international competitions was an important factor that motivated student interest.

There was anecdotal evidence that the JA Russia program tends to attract the more highly motivated students. If correct, this suggests that the JA program may have a uniquely formative impact on future decision makers and community leaders.

- ▶ The potential value of business leader participation in school activities and the establishment of student mentoring programs have not been realized in large part because it is difficult to locate business volunteers.

¹⁰ While very few of the students interviewed for this evaluation were critical or negative about the program, it was apparent to the evaluators that the student who chose to participate in the JA Program were already highly motivated and tended to be more successful at their studies. In part, the JA program was popular with students because of the game playing, the competitions and the practical non-theoretical approach to learning. Interestingly, during the evaluation there was no instance of a student objecting to a program designed to promote business nor was there any negative comment regarding the US connection.

Although all regions reported modest participation from volunteers from the business community, there was broad consensus that this mechanism was not functioning as effectively as it should. Several teachers noted that businessmen were not comfortable in a school setting and did not fully understand the purpose of the program; others indicated that it was difficult to manage and coordinate participation. An unstated corollary is that the teachers themselves — overwhelmingly former and present members of the Communist Party — are very much ill at ease with businessmen (often equated with corruption) in the classroom.

While JA Russia is manifestly a "scholastic" program, it has yet to concoct the right formula to bring entrepreneurs from the Russian real world of business into its program as mentors. As Russian business becomes more regulated, that may be easier than at present. Nonetheless, JA Russia can hasten this process by bringing focus to mentoring roles in its entrepreneurial curriculum.

- ▶ While the JAR program modules emphasize ethical business practices, they do not address the larger and more complex challenge of corporate responsibility and the role of the business sector in building social capital. Nor does the JA curriculum address management opportunities in the not for profit service sector.
- ▶ The Junior Achievement methodology has a variety of important ancillary benefits that go beyond the transfer of curriculum material.

The Evaluation Team noted a variety of positive secondary benefits that are not adequately captured by the numerical emphasis on measuring student participation. These include adjunct projects and activities that are started in the schools because of the JA Program influence such as the initiation of summer camps, the involvement of students in related extracurricular activities, inter and intra school competitions and student participation in volunteer community programs. Repeatedly, the Team was impressed with the imagination and energy of teachers in adapting and creatively modifying the JA Russia material to local conditions in a way that made it come alive for the students. (For example, in Volgograd the whole set of educational computer programs was developed, that cover not only the topics described in JA components (banking system, management, economic rights) but that adds modules that deal with the Russian legislative process.)

In addition the JA Russia program appears to have had a beneficial impact on local education policy, parental attitudes, and the attitudes of local business towards the role of the school system in developing business leaders and expanding the human resource base. Repeatedly, Team members were told by teachers that the practical, interactive nature of the JA curriculum was preferential to the more academic approach traditionally used in the Russian schools; teachers also commented that the JA Program tends to elicit a higher level of parental interest and participation than is normally the case. While it has been difficult in general for local JA representatives to find businessmen who are willing to volunteer their time to work in the schools, the Team did interview several businessmen who spoke very highly of the program and indicated that JA had a formative impact on their development and that program expansion was desirable and in the interest of the country.

Objective longitudinal studies of behavioral change have not been conducted by JA Russia. However, these studies are conducted by JA in the United States on a routine basis and the

information is fed back into curriculum design. Intuitively, one could surmise that the positive results experienced in the United States would be similar. JA Russia should be encouraged to institute a similar effort

7. *Has JA Russia been able to build a strong and durable central and regional structure and is that structure capable of significant growth and potential expansion into new areas?*

- ▶ The regional centers are at a very early stage of organizational development. While they are led by intelligent and motivated individuals, they do not yet have the institutional resources that are needed to accomplish accelerated growth or capitalize on the creative energies of the individuals that lead them.

JA Russia regional centers are staffed by competent and motivated individuals (generally teachers). The Evaluation Team was universally impressed by the high caliber of the people that are attracted by the educational content, teaching methodology and potential student impact of using the JA Russia curriculum. Most of these motivated individuals serve without compensation, their work is in addition to their other teaching responsibilities and they are increasingly engaged in activities such as budgeting, planning and fund raising for which they have little training or prior experience. (The one exception noted by the Team was the regional director in Tartarastan where, the director receives a monthly salary of \$100 from JA Russia.)

In no instance did a regional representative complain about the extra burden of managing their JA Russia responsibilities and in no case did they raise the issue of compensation. Virtually all of the regional representatives had imaginative plans for initiatives that they would like to undertake and all of them were intent on expanding the JA Russia program into more schools and into outlying regions where access would be more difficult. If those individuals interviewed by the Evaluation Team are representative, the regional leadership of the JA Russia program constitutes its primary asset.

On the other hand, none of the regional centers have developed a multi-year growth plan and they are only dimly aware of the importance of long range planning.

Several of the regional centers did not prepare an annual budget and most did not appear to be cognizant of their basic cost structure or the importance of understanding the cost structure as a basis for long term planning.

Regional representatives are not trained in strategic thinking or planning and do not think about their future in strategic terms. As a consequence, while the regional centers have established good relationships with local government officials, they may miss opportunities to capitalize on these relationships.

While regional representatives are aware that lessons learned in other regions could be invaluable, there is not an easy, systematic process for collecting this information and delivering it in easily digestible form to the regional offices nor are there growth models or guidelines that the regional centers could use in thinking about their long term development.

Governance structures are at a nascent stage of development. In general, regional offices do not understand the role and function of boards of directors or the importance of a community board to the long term success of the organization. Rarely do regional representatives have the time or the training to design, develop and nurture a strong board. Because regional representatives are teachers (very competent, intelligent and motivated) they are not well placed to cultivate corporate participation or to locate and recruit key leaders and decision makers.

Regional centers lack technical and substantive depth in curriculum design and planning that could help them work more effectively with school officials and with government ministries and that could be employed to optimize the application of the JA Russia material that they use. Deeper technical capacity would enhance their ability to conduct evaluations of impact which in turn can be used to further perfect the JA Russia product and as a persuasive tool in fund raising.

Fund raising is most active and relatively successful in the national office. An integrated and coordinated fund raising plan that would link the efforts of the regional centers with the national office has not been developed.

With respect to the overall JA Russia organization including the regions and the Moscow office:

- ▶ The structure is deliberately composed of a loose and highly differentiated association of independent entities that are individually responsible for their own development. A common set of policies and procedures is not yet in place, strong board and governance structures have not been established and an overall growth strategy has not been developed.
- ▶ Organizational composition and by-laws are similar in all the regions and generally mirror the structure of the national organization. Boards (Organizational Councils) are usually comprised of not more than 5 people — teachers, school principals, representatives of local and/or regional administrations. Boards function primarily as “clubs” or “friends” of JA Russia rather than as governing, strategizing or fundraising bodies. Only in Tartarastan was there an effort to build an operating board and to include representatives from the business community
- ▶ Regional representatives do not yet possess a deep understanding of the overall JA Russia organizational structure or a fully coherent view of their relationship to the national office in Moscow. While they understand that they belong to a loose affiliation of independent entities, they do not have a clear picture of the integrating mission of the association or a strong sense of loyalty to a core purpose that transcends the narrow distribution of curriculum material.¹¹

¹¹ The fact that the regional centers see themselves as autonomous and only loosely connected to a parent organization is not necessarily a disadvantage. The emphasis on independence and self reliance is a valuable attribute that will tend to discourage dependency relations while encouraging each region to pursue a growth strategy best suited to local conditions. However, some degree of integration around a set of common goals is desirable if the JA Russia program wishes to capitalize on internal synergies and leverage common experience. What is needed is a mentoring support system that will perpetuate autonomy while at the same time helping independent units to be successful.

- ▶ Despite the JA Russia's emphasis on regional autonomy and independence, the regional units tend to view decision making within the JA Russia structure as concentrated and centralized in Moscow. Several indicated that they did not believe the governance structure was participatory or that their membership in the national association translated into constructive collaboration.
 - ▶ While the Moscow office does organize seminars and occasional meetings where organizational matters are discussed, as a matter of policy it does not provide extensive mentoring or management support to the regional units in such areas as fund raising, board development and strategic planning. Nor does the Moscow office provide technical support (aside from core training) in such areas as education policy and curriculum design.
 - ▶ JA Russia has not yet developed a financial growth strategy based on the cost structure of the program and the organizational structure of the institution. In this regard, a key issue is whether fund raising should be centralized, diversified or shared.
 - ▶ Relations between JA Russia and JA Worldwide are distant and independent and based on the principle of autonomy.¹²
- The Evaluation Team found that JA Worldwide has taken a virtual "hands-off" approach to its relationship with JA Russia. There appears to be a reluctance to become operationally involved in the activities of the JA Russia program or to offer support or mentoring to assist the program — in part because the Russian program is so large and generally perceived to be successful and in part because there has been a pervasive understanding that the JA Russia is sensitive to outside interference and would prefer to operate as independently as possible.
 - In discussions with officials of JA Worldwide, it was emphasized that the parent entity is interested and willing to provide support to its affiliate members. In general, this is done on a case by case basis to address specific areas. For example, the Brussels office recently has been involved in assisting JA Slovenia in reconstituting and strengthening its Board. In addition, JA Worldwide is often asked to help select and train new Country Executive Directors. JA Worldwide is not reluctant to take on tough issues and they have recently adopted a policy that requires an annual program evaluation every five years. Generally, the cost of management assistance is covered by annual dues (In Europe, Euro 2000) with the exception of training workshops that are scheduled out of the country. Follow-up on-site visits are generally included at no cost to the affiliate.
 - In determining how to equitably divide access to potential donors, JA Worldwide employs a policy of "Donor Intent". For example, if Citibank has affiliates outside

¹² These observations are based on 5 interviews held with staff of JA Worldwide following completion of the field work in Russia. While there may be legitimate debate over the use of such terms as "distant" or "autonomous", there is no doubt from these interviews that a closer and more collaborative relationship between JA Russia and JA Worldwide would be desirable in terms of transferring knowledge and insights on how best to strengthen and expand the program in Russia.

Moscow, it might well have stipulated its funds (\$100k) be used in support of a JA Regional Center.

8. *Is there a reasonable prospect for financial and organizational sustainability within the foreseeable future?*¹³

(In JA Russia's case it is important to distinguish between the financial sustainability of the Moscow Office, the Regional Offices or the entire structure. The expense and revenue structure of each of these units is quite different and as a consequence prospects for financial sustainability are also quite different.)

The JA Russia situation is as follows:

- ▶ Charitable giving, voluntarism and community involvement are still at an early stage in Russia. However, the growth of the economy, growing professionalism of business and the ageing and maturation of business leaders point to a growth in philanthropy. Organizations like JA Russia can themselves be catalytic in accelerating these changes.
- ▶ The JA Russia national organization receives roughly 2/3 of its income from USAID grants. These grants cover the production of materials that are distributed to the regional centers. None of these funds are distributed to the regional offices.¹⁴
- ▶ At the current time, the JA Russia national office does not generate any meaningful amount of earned income by providing or selling services. In the future, there may be important opportunities to raise funds from the sale of products or services but it will take several years before these opportunities materialize.
- ▶ The JA Russia national organization does not raise any funds for its regional affiliates and locates responsibility for doing this in their hands. Nor does the national organization provide background promotional or advertising support or technical assistance to the regions to help them raise funds.¹⁵

¹³ A discussion of financial sustainability can be confusing if the parameters are not clearly defined. In the case of an organization that generates revenue, the concept of sustainability normally means an ability to become reasonably independent of charitable support from government and private sector donors. In the case of an organization that is unlikely to ever generate earned income, the concept of sustainability means an ability to reduce their reliance on a single donor and diversify support so that the loss of one donor does not jeopardize the organization. In the latter case the organization is never "sustainable" in the sense that it is free from dependence donors although it is more likely to survive and act in an independent manner because it does not rely on just one donor. JA Russia is an organization that falls between these extremes. On the one hand, it offers programs that are potentially capable of generating income. On the other hand, it is unlikely that the JA Russia could ever hope function solely on the basis of generated revenue.

¹⁴ It is relevant to note that that in the United States the predominant source of income for JA RUSSIA comes from the sale of curriculum material to affiliate JA RUSSIA centers. In effect, the central JA RUSSIA entity conducts curriculum research and development (as well as fund raising) and sells this product to its members for school distribution.

¹⁵ JA Russia believes that this is an overstatement. They note that a portion of the funds raised for the national office is used to benefit the regional units and that the country-wide programs that are managed by the Moscow Office have important benefits to the regional units and provide legitimacy and credibility in their efforts to cultivate local

- ▶ The cost structure of the national office is relatively straightforward and consists of administrative and salary costs, the costs of producing and printing curriculum material, the costs of competitions and student conferences.
- ▶ Because of its central location, good contacts and higher degree of sophistication the national office is well placed to raise funds for itself. (And of course to raise funds for the regional centers if it chooses to do so.)
- ▶ The cost structure for the regional centers is more complicated because these units receive a large amount of support that is not monetized including the value of curriculum materials, the contributed time of regional representative and most importantly the value of the time spent by teachers and school officials on teaching the JA Russia curriculum. To date, there has been no effort to prepare a shadow budget for the regional units that would identify their true cost structure. (The subject is pertinent in part because the information could be used effectively for fund raising but more importantly because an understanding of the basic cost structure would be very useful for long range planning and in charting a growth strategy)

In this context, the pertinent findings based on and extrapolating from the six regional visits are as follows:

- ▶ Regional centers are currently capable of sustaining a minimal administrative structure necessary to support the current volume of activity through voluntarism, occasional small donations, in kind contributions and modest support from Moscow.
- ▶ The regional centers are not able to cover the costs of curriculum materials or to cover the costs of the imaginative and important initiatives that many of them would like to undertake.
- ▶ The regional offices have a very limited understanding of fund raising of how to develop a fund raising plan, how to nurture constituent support, how to prepare a case statement, evaluate donor prospects or make an effective presentation to generate support.
- ▶ Regional centers at this point do not have adequate financial (or human) resources to support an aggressive effort of program expansion. In general, they lack training in fund raising and public relations and have an understandable lack of confidence in asking for money. Most of the regional representatives were skeptical that their fund raising efforts would bear fruit, most believe that the commercial sector will not contribute and all lack persuasive hand out materials focused on different target groups.
- ▶ While there are exemplary exceptions, the regional centers have done very little to establish fund raising boards or cultivate private sector support. It is unlikely that they will be able to do this without considerable advice, guidance and support.

support. While these secondary benefits are important, over the long run the Team believes that if the overall JA Russia structure is to become strong and sustainable, the national office will need to change its current policy of fully relying on the regional units to support themselves without any direct assistance.

- ▶ Because the JA program has understandably started and grown in those schools where the climate was most conducive and the entry and expansion process was the easiest, the next stage of expansion is likely to be much more difficult and to require higher unit inputs of human and financial resources.
- ▶ On a positive note, several regional centers have been successful at establishing supportive relations with local government. Local ministries appear to respect the program and the representatives that they work with. In most of the cities visited by the Team, contacts were open, frequent and professional. This is a significant asset that may ultimately lead to direct financial support.
- ▶ However, unless the regional centers are able to develop their organizational capacities (planning, fund raising, board development and technical depth) it is unlikely that they will be able to generate adequate local private sector support to significantly expand or to eventually pay for the curriculum materials that Moscow is providing.

CONCLUSIONS

1. Has JA Russia reasonably complied with the spirit of intent of the grant agreements it has received from USAID?

JA Russia has done a good job in adapting, translating and distributing high quality educational materials to participating schools.

JA Russia has done a good job of training a cadre of teacher-trainers who are respected and viewed as professional, and competent.

The JA Russia replication model (training of trainers) has proven to be an effective mechanism for broadening and deepening coverage and impact.

The JA program has important benefits with respect to secondary activities and with regard to attitudinal change among students, parents, teachers and school officials. These benefits need to be included in any assessment of impact.

The limited availability of teaching materials is a serious constraint that will need to be addressed if the program is to continue to expand.

Program content, administration and the prospects for accelerated growth will be enhanced if regional representatives have a deeper grasp of education policy issues and a better capacity to engage with local government officials.

2. *Does the JA Russia program have a meaningful impact on attitudes, values and choices made by student participants?*

On the basis of observation and anecdotal feedback, the JA program has a high degree of student acceptance.

The popularity of the JA Program is related primarily to its real-world content which sets it apart from more theoretical education.

A broad consensus exists among teachers that participation in the JA program over a period of several years is necessary if the program is to have a significant result.

Impact on student attitudes and long term career choices could be improved if JA Russia added an educational model on corporate responsibility, building social capital and management opportunities in the service sector.

A deeper and more accurate understanding of impact on attitudes will require an investment in longitudinal studies comparable to those conducted by Junior Achievement in the United States.

3. *Is the overall regional and central structure strong and durable and capable of significant growth?*

The JA Russia program has not yet been able to construct a durable structure of strong regional organizations that are integrated around common goals and linked together through an effective communications structure.

On the basis of field visits to six regional centers, the Evaluation Team concludes that the regional units are at a very early and fragile stage of organizational development.

Specifically, the JA Russia structure is weak in the areas of strategic planning, fund raising and board development. In addition, the regional centers would benefit significantly from deeper technical competence in education policy.

At the current time, the Moscow office does not have the capacity to provide the extent of organizational development that will be needed to support the professional development of the regional centers.

There are critically important strategic issues that need to be carefully considered if future growth and development are to occur in an optimal fashion. Clarity with regard to alternative growth strategies will be essential if JA Russia is to become a strong, viable organization following the termination of USAID assistance.

A critical issue that JA Russia will need to address is whether or not the future development of the organization should be shaped by a strategic plan based on an analytical assessment of organizational strengths and weaknesses.¹⁶

¹⁶ In this regard, critical questions will include whether or not the program should expand through the addition of more regional units or as a consequence of expansion within established regions. Related issues will include relative

While JA Russia's current policy of regional autonomy and self reliant regional development encourages independent action, it is not an approach that will build a cohesive and durable structure that is capable of significant long term growth.

Significant program growth in line with the manifest potential of the organization will necessitate a sustained effort at building organizational capacity and will require a re-assessment of the role of the national office.

If the Moscow office is to eventually provide the support to the regions that will be needed to nurture their development it will itself need to alter its governance structure, change the way it interacts with the regional offices and be more open to outside assistance from JA Worldwide and/or from other sources of support.

If JA Russia is to undertake a program of capacity building it will need to address the issue of relations between the Moscow office and the constituent regional parts. In this respect it will be essential to build a sense of participation, improve transparency and develop a coherent strategy that clearly defines the appropriate balance between autonomy and integration.¹⁷

4. *Is there a reasonable prospect for financial and organizational sustainability within the foreseeable future?*

The Team concludes that there is **insufficient** potential for private sector support to JA Russia in the **short** term to offset the need for continued USAID funding.¹⁸

On the basis of limited feedback, the Team concludes that the Moscow Office will need to professionalize its approach to fund raising if it is to continue to be successful. This will necessitate an investment in board development, the articulation of a long term strategic plan and a related case statement and a more sophisticated understanding of how to identify and nurture stakeholder support.

While the JA Russia program is potentially attractive to private sector donors, it will be several years before JA Russia is able to build a board structure and fund raising program that will reliably attract sustaining support from the private sector. The challenge for the Moscow Office will be complicated by the difficulty of persuading donors to support a Moscow based program that is implemented in the regions.

Because the regional centers are financed largely through voluntary contributions of "sweat equity", a low level of regional program activity can continue for the foreseeable future.

priority of poorer schools, whether or not the regional units should engage in advocacy and attempt to influence educational policy.

¹⁷ In large, geographically dispersed organizational structures, relationships between the center and the constituent parts often involve tensions and controversy and always require a great deal of careful attention. Inevitably, the perspective of the center will differ from the perspective of the affiliates and there will be persistent discussion with respect to sharing of resources, degrees of autonomy and clarity of communication. This dialogue should be viewed as both normal and necessary if the structure is to evolve and become stronger and more viable.

¹⁸ Conclusions with regard to private support for the programs of the Moscow office are conjectural because the Team had very limited opportunity to interview current or prospective supporters or board members.

However, if the regional centers are to realize their very significant potential they will need considerable help in structuring and implementing a strong fund raising effort. This will include board development, strategic planning, constituent development and a better understanding of how to approach prospective donors. In this regard, the Moscow office may play a valuable support role by providing promotional material and a backdrop of credibility analogous to the support that the parent company provides to its franchises.

It is essential to recognize that the JA Russia program is excessively reliant on USAID funding and must aggressively develop a realistic multi-year program to address this issue. Because USAID support pays for the provision of core curriculum material, JA Russia is not in a position to simply scale back program levels to accommodate a decline in USAID support. At the current time, if USAID support terminates, the relevance and credibility of the JA Russia curriculum material will very quickly deteriorate.

Although corporate philanthropy in Russia is at an early stage of development and tends to be based on personal contacts and relationships, this is likely to change as companies become more targeted and professional in their charitable giving. The Evaluation Team believes that JA Russia is thematically well positioned to take advantage of corporate philanthropy if it can adopt a professional approach to development based on an understanding of donor objectives.

The Team believes that the JA Russia program possesses attributes that make it potentially attractive to the private sector and that it is well positioned to generate community support. In the long run, the Team believes the overall structure can become financially sustainable if it can go through the difficult process of organizational maturation.

An emergent theme of this evaluation is that JA Russia needs to institute a program of organizational development and organizational learning. This will almost necessitate outside assistance. In the final analysis, it will be up to JA Russia to determine if they wish to seek this type of support and how best to obtain it.

With respect to the six supporting questions posed in the Scope of Work:

- ▶ The current level of support from the Central Office to the regions with respect to teacher training is adequate; the level of support with respect to organizational development, fund raising and long term institutional growth is inadequate.
- ▶ At the current time, the level of local business interest in the JA program is minimal. There are a few business leaders who feel passionately about the program and the Evaluation Team believes that the long term potential for business leader involvement on boards of directors and as volunteers in the schools is large.
- ▶ From limited exposure and focus group sessions, the Evaluation Team believes that the JA curriculum material was well integrated into the regular school curriculum due largely to the energy and imagination of participating teachers.
- ▶ As discussed in the body of the report, communication between regional centers and between the regional centers and the Moscow office could be significantly improved. While technical access has improved and is not an impediment, the dialogue process is

not molded by a common set of goals and guiding institutional principles. Limited transparency around decision making and confusion regarding roles and responsibilities exacerbates this problem.¹⁹

- ▶ The regional centers have not yet been able to construct strong and supportive advisory boards.
- ▶ At the regional level, boards of directors are not yet capable of seeking grants and developing long-term strategic plans without outside assistance.

RECOMMENDATIONS

While beyond the confines of the scope of work, the Evaluation Team believes that USAID should continue to support JA Russia but that the composition and level of support should be altered to address the issues raised in this report.

In its relations with JA Russia, it is important that USAID adopt a long term multi-year strategic approach based on a mutually agreed set of objectives designed to build overall organizational strength. As a corollary, the Mission should avoid an annualized project specific focus that does not address the underlying challenges that JA Russia must address.

In working with JA Russia, it is essential that USAID not attempt to impose a particular strategy. As JA Russia's primary funder, the Mission should take a position that the future of the organization is the responsibility of the leadership; that the potential appears to be high and that the Mission will be responsive to thoughtful proposals that are designed to strengthen long term institutional viability.

Subject to this caveat the Mission should work closely and interactively with JA Russia in preparing the next funding proposal. It is critical that JA Russia understand the depth of the organizational issues that it will need to address and that it approach these challenges in an open and accepting manner.

The Mission should encourage JA Russia to seek expert assistance in the area of organizational development, fund raising, planning and board development and should be responsive to funding proposals that include these elements. While it would make sense for JA Russia to use the resources available through JA Worldwide, the final choice should be in the hands of the Moscow Office.

With respect to the sensitive matter of executive development, the Mission should recognize and applaud the manifest strengths of the current leadership while at the same time helping to frankly and honestly identify deficiencies that will need to be addressed. USAID should leave no doubt that future success will depend on an emerging atmosphere of openness that needs to be evident in JA Russia's relations with its regional offices, with JA Worldwide, with representatives of

¹⁹ Problems of communication and transparency almost always arise in the case of fast growing decentralized structures. In making these observations the Evaluation Team is not assigning blame or suggesting that there has been an organizational failure. What the Team is attempting to do is to focus analytical energy on the structural, procedural and governance mechanisms that need to be modified in order to address the challenge of growth.

USAID and indeed with the wide variety of stakeholders and supporters who enthusiastically support the excellent content of the JA program. There are a variety of successful training and mentoring programs that could be identified or designed to help the current management assume those competencies that will be needed to steer JA Russia toward a higher level professionalism.

Prior to provision of further funding, USAID should insist that JA Russia initiate a serious long term planning process. This process should address the nature of the relationship between the Moscow office and the regions and should examine alternative growth strategies. This planning process should establish a road-map that will guide the content of USAID funding over the next 5-6 years.

In addition, USAID should insist that JA Russia prepare a long term budget plan for the National Office and for the Regional Centers. This plan should be designed to diversify income sources and reduce reliance on USAID funding. It should include an assessment of revenue generating mechanisms and look at innovative ways to produce educational materials. It should be based on a careful study of private sector funding opportunities and look at the pros and cons of financing growth through resources channeled through the Moscow center or through the regional centers.

As part of the planning process, USAID should encourage JA Russia to review alternative governance structures optimally designed to support program growth and expansion. While retention of the current structure may be appropriate, it is important that JA Russia examine alternatives.

For the medium term the Team recommends that the Mission should be particularly responsive to funding proposals from JA Russia that emphasize capacity building and that will improve the ability of JA Russia to identify and cultivate private sector support.

The Mission should also be responsive to proposals that will provide management assistance to the Regional Centers in the areas of planning, fund raising and board development. While it would make sense to employ the experienced services of JA worldwide, the final choice should be made by JA Russia in collaboration with the Regional Centers.

Over the long run, the Team recommends that USAID support to JA Russia increasingly shift to support the Regional Centers. The Team emphasizes that this needs to be done in gradual manner that does not inadvertently undercut the activities of the Moscow Office.

While the focus of assistance should gradually shift to support the maturation of the Regional Centers, USAID should be responsive to proposals that increase the staff capacity of the Moscow Office to backstop the Regional Centers. In addition to these priorities, the Team recommends that USAID be responsive to funding proposals from JA Russia designed to:

- ▶ Increase the level and sophistication of studies and evaluations designed to measure impact on student attitude, performance and values.
- ▶ Add a curriculum module on corporate responsibility, social capital and management opportunities and challenges in the non-profit social service sector.

- ▶ Augment Moscow office staff capacity in the areas of fund raising (particularly long range strategy for the entire JA Russia structure), education policy and curriculum design. Serious consideration should also be given to adding a Deputy or Chief Operations Office who would concentrate full time effort on building an integrated country-wide structure.

APPENDICES

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APPENDIX A

SCOPE OF WORK

SCOPE OF WORK

FOR EVALUATION OF JUNIOR ACHIEVEMENT PROGRAM IN RUSSIA

I. ACTIVITY TO BE EVALUATED

The focus of this evaluation is USAID's Junior Achievement Russia Program (JAR). JAR provides education on economics, market economy, business ethics, and civic responsibility for primary and secondary school students. JAR also provides regional teacher training, and prepares students to participate in national and international competitions where students apply economic theory to practical business situations.

This program was started in November 1998 and is scheduled to be completed by August 2005. The key JAR's objective is to introduce the concepts of market economy, entrepreneurship, information technology, and civic responsibility at an early age. It should help solidify Russia's democratic and economic transition as today's students join the business world.

This evaluation should cover the whole program implementation period from November 1998 to the present. JAR contributes to USAID/Russia Strategic Objective (SO) 1.31 Small and Medium-size Enterprise Sector Strengthened and Expanded, and supports the Mission's SO2.11 To Foster More Open and Participatory Society.

II. BACKGROUND

Junior Achievement Russia is a locally registered non-profit interregional public organization (IPO). Headquartered in Moscow. JAR manages a comprehensive set of training and educational economics, entrepreneurial, civics and ethics programs across Russia through its network of 32 regional centers (independent JA legal bodies registered at the regional level) and reaches annually over 400,000 students age 6-18.

Introduced to Russia 12 years ago on the principles of America's Junior Achievement Organization, JA Russia has been working with Russian schools and educators and, through a system of market oriented training and hands-on business activities and events, has substantially increased the awareness and interest of Russian students in the benefits of a market economy and free enterprise.

One of JA Russia's strategic goals is to further expand and strengthen its regional network as well as develop the new innovative approach to both teaching and learning processes based on JA's successful model of a partnership between school, business and community. To achieve its goals, the JAR Program has been using different tools: publishing educational materials, establishing communication network among regional centers, building and strengthening an institutional capacity of JAR's Regional Centers (one of the main objectives of JAR program for the period 2002-2005), etc. To promote best practices of economic education in Russia, the program has been developing, monitoring and supporting JAR's virtual library — a collection of

JA's program materials, related to youth entrepreneurship, economics, business, civics and ethics; virtual forum and virtual fair.

From 1994 to 1996, USAID support provided through a Cooperative Agreement to Junior Achievement International (JAI) led to a significant expansion of JAI's success in teaching Russian students about private business. The program rapidly expanded throughout many regions and became the second largest JA program in the world after the United States. JA Russia has trained 6,500 high school instructors who continued to teach JA courses in 39 Russian regions. The program exposed more than 500,000 Russian students to market economics and business practices.

In September 1998, USAID funded the JAR program to publish economic materials for school students and teachers' training. The program started on November 1, 1998 and operated for two years through August 31, 2000. This amendment is assisting JAR to establish a reliable communication network between 42 regional centers. This network will allow JAR to run its programs more effectively and significantly improve and systematize the enormous information flow during program implementation from regional centers to headquarters.

In September 1999, USAID funded the "JAR on-line" component, which assisted JAR to improve communications between JAR regional centers and headquarters by installation of computer equipment and the establishment of a computer network, as well as the provision of access to the Internet for both school students and teachers in 30 of the regional centers.

In September 2000, USAID funded the "Global Aspects of Learning about Business and Economy" (GALBE) component designed to expand the curriculum and business education and to provide young Russians with knowledge, skills and attitudes to adapt in a changing global community. JAR continued to expand the program in 42 regions of Russia, developed, adopted, published and disseminated economic education materials to schools as program grew. This Grant Amendment (September 2000 – August 2002) allowed JAR to utilize new technological opportunities in the educational process and program delivery, including Internet for distance learning. At the same time, JAR should have focused its strategy on involving more Russian corporations as supporters and sponsors for JAR activities, in its effort to become sustainable beyond the period of USAID funding.

In September 2002 this activity was extended through August 2005. This amended activity is building on existing JAR structures and capabilities that are focused on a regional centers network. JAR can be transformed into a nationwide resource center for innovative education in the areas that are the most important in forging an open and democratic market economy. Interventions to achieve this objective include:

- a) business skills and leadership,
- b) institutional strengthening and capacity building,
- c) civic and social responsibility, and
- d) information technologies.

In September 2003 the total number of students that have participated in JAR programs within the USAID Grant period reached 1,796,000, bringing the total number of alumni to 2.5 million over a 12-year period. Approximately 6,300 schools have adopted JAR activities. 10,000

teachers were trained in Junior Achievement programs. 32 JAR regional centers were provided with computers and Internet access.

Overall, USAID/Russia's funding of the JAR Program has been as follows:

| Year | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 |
|---------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Funding | \$858,808 | \$625,000 | \$300,000 | \$400,000 | \$500,000 | \$300,000 | \$310,000 |

III. INFORMATION SOURCES

The following is not an exhaustive list of available information sources, but the items below provide the evaluation team with the most essential information:

1. Grant Agreement # 118-G-00-98-00151-00 with Junior Achievement Russia for the period September 1, 1998 – August 31, 2000. Program Description.
2. Modification #2 to the existing GA. Program Description.
3. Modification #3 to the existing GA. Program Description.
4. Modification #5 to the existing GA. Program Description.
5. Modification #6 to the existing GA. Program Description.
6. JAR work plans for the following academic years: 1998-1999, 1999-2000, 2000-2001.
7. JAR implementation plan for the period September 2002 – August 2005.
8. JAR quarterly performance reports covering the period from January 1999 through September 2000 and from September 2003 through June 2004.
9. JAR results reports for the periods: October 2001- October 2002, October 2002 – September 2003.
10. Current results report covering the USAID grant period November 1998 – September 2003 (JAR position paper).
11. Results of financial audit and analysis conducted by USAID/Russia's Office of Financial Management in June-July 2004.
12. Websites: www.ja-russia.ru, www.yejaco.ru, www.simplewords.ru, www.lawsoflife.ru, www.jargam.vpti.vladimir.ru.

Other information sources may include Project Officers in USAID/Russia, implementing partner in Russia and a head office in the U.S., local authorities, NGOs, current students, alumnae, teachers and organizations implementing affiliated programs.

IV. PURPOSE OF EVALUATION

The objectives of the evaluation are to provide findings, conclusions, and recommendations on the following issues:

1. Is the Program achieving its intended results? Identify the short-term outputs and longer-term impacts of the program.
2. Is the overall approach to the implementation and management of the program sound? Is the program achieving sustainability?

3. What are the strengths and weaknesses of the JAR program? Identify lessons learned, and provide concrete recommendations and suggestions that will inform the design of a similar or a follow-on program.

This evaluation should reveal both strengths and weaknesses of the JAR program.

V. EVALUATION QUESTIONS

The following suggestions and questions are intended to guide the evaluation team, but are not necessarily exhaustive. Others may arise during review of the SOW, during consultations with USAID in Russia, or in the course of field interviews and assessments.

1) To assess the impact and sustainability:

- Identify measures to assess both short-term and long-term impact of the JAR program.
- What has been the program's impact (include both short-term outputs and longer-term impacts associated with changes in attitudes, behavior, and perception.)
- Did the JAR Program contribute or change the life and career of graduated participants? If so, how?
- If possible, it would be interesting to go further and explore whether there is any difference in further career and attitudes between those who participated in the Program and those who did not (including attitudes to political parties, market economy, oligarchs, etc.)
- Explore the sustainability of the Central office and regional centers, i.e. their ability to continue on their own after USAID funding ends. Are they able to raise necessary funding? Is support from the Central Office to the regional centers sufficient to enable them to provide their expected functions?
- What is the level of local business community's interest in the JAR? Has the program been able to mobilize additional resources from the business community to complement USAID's funding? What is the prospect for JAR securing adequate resources from the business community and/or other sources to sustain the program after the ending of the Mission's financial support?
- How much is the business community involved in the development and implementation of the economic curriculum and the learning activities for students;
- How adequate is the economic training received by the participating teachers? Is there a demand for civic education program at schools?
- How well is economic education program integrated into the regular school curriculum?

2) Examine implementation and management:

- Explore communication and coordination between Central office and regional centers. Are there any gaps/issues that should be improved? Would be also interesting to check if the number of training materials provided by the Central Office is sufficient for regional centers and the quality of their content is adequate.
- Do the regional centers have enough strong and supportive advisory boards?
- JA/Russia had 41 regional centers in 1997 and has only 32 now. Instead of full-range offices in 9 regions, JAR is represented by coordinators. Explore what was the reason for such a decline. What is the difference between activities of a formal office headed by a director and a coordinator? Are there any significant activities managed by coordinators?
- Interview selected members of JAR Board of Directors. Explore how the overall management and governance are functioning in JAR, role of the Board of Directors and annual JAR conference.
- Does the Board of Directors create and foster a favorable environment for the implementation of the Junior Achievement program?
- Is the Board of Directors capable of seeking grants and developing long-term strategic plans without outside assistance?
- Evaluate adequacy of the number of schools each regional center is supporting? Should it be increased or decreased?
- Is the JAR program as currently designed and implemented meeting the overall goals and objectives of the program?

3) Identify lessons learned and provide recommendations:

- Identify and document the most significant achievements and success stories.
- Explore if there are any opportunities for further programmatic and geographic expansion or development of JAR. If yes, what would be the evaluation team specific recommendations?
- What are the lessons learned and practical recommendations for performance improvement and strategic planning?
- What are the priority actions to be undertaken during the remainder of the existing program?
- What are the recommendations with regard to the structure, management and implementation of the follow-on activity in order to maximize program impact, ensure proper utilization of USAID funds, and enhance sustainability?

VI. EVALUATION METHODS

The evaluators in collaboration with the USAID/Russia will finalize the overall evaluation methodology. However, USAID expects that at a minimum the evaluators will:

1. Review and analyze the existing performance information.
2. Develop a survey questionnaire to be administered to both current and previous JAR students and educators in order to assess programmatic impact.
3. Interview field staff of USAID, the implementing organization (JA/Russia and JA/International), selected members of the JAR Management Board, and a representative number of regional directors, teachers and students that both participated and are participating in the Program.
4. Interview government counterparts.
5. Visit and interview a representative number of schools and participants located in at least five cities outside of Moscow and St. Petersburg.

The recommended cities are as follows:

1. Yuzhno-Sakhalinsk
2. Vladivostok
3. Angarsk
4. Yekaterinburg
5. Novosibirsk
6. Volgograd
7. Kazan

JAR Regional Centers in different cities have different level of organizational capacity. Often it depends on the level of support from local business and community. There are regions where centers have very strong support even at the regional level (e.g., Regional Center in Kazan` is being supported by local authorities of the Republic of Tatarstan).

The recommended list of cities is prepared to ensure the assessment team can visit both strong and weak regional center. Regional centers in the Russian Far East are especially important given that RFE is USAID/Russia's geographic priority area.

VII. SCHEDULE

Approximately eight weeks are estimated to complete this evaluation with an assumption of a six-day workweek during field trips. A representative work schedule is indicated below, but it may be modified on mutual agreement between the team and USAID/Russia.

| Activity | Description | Location | Approximate Dates |
|------------------|--|-----------------|---|
| Background | Finalize schedule, review background documents and performance information, design a list of interviews, develop questionnaires, if necessary, and report outline. Finalize and discuss the methodology and the scope of work with USAID/Russia (by e-mail). | Washington | Aug.30–Sept. 3 |
| Interviews | Interviews with Mission and JAR staff, counterparts, NGOs, etc. Review methodology and refine, if necessary, discuss structure of report with USAID/Russia. Finalize travel schedule. The team may wish to split into two sub-teams to cover more cities. | Russia | Sept. 6–10 |
| Site Visits | Visit selected cities Before departure to Washington, provide exit briefing to USAID/Russia. | Russia | Sept. 11–26 Sept. 27 |
| Analysis, Report | Draft final report design, additional interviews, if necessary. Report draft submitted to USAID/Russia for comments. USAID/Russia reviews and comments on final draft. Incorporate the comments into the report, finalize and submit to USAID/Russia. | Washington | Sept. 29- Oct. 6 Oct. 7 Oct. 15 Oct. 15-20 |

The final report is expected to be submitted to USAID no later than October 20, 2004.

VIII. REPORTING AND DISSEMINATION REQUIREMENTS

The final report will include an overall assessment of the issues listed in the section “IV. Purpose of Evaluation” and will address the questions listed in the section “V. Evaluation Questions”.

Other information to be included in the report will be determined in consultation with USAID staff over the course of the evaluation.

IX. TEAM COMPOSITION AND PARTICIPATION

A team comprised of two US consultants and two Russian consultants will carry out the evaluation with one of these experts acting as team leader. Additionally, one support staff person will support the team as an interpreter and logistics coordinator. An additional interpreter might need to be hired should the team decide to split to cover more cities. Fieldwork may be augmented by USAID Mission staff, as available. The members of the team are as follows:

- Team Leader: Responsible for coordinating and directing the reporting effort, including preparation and submission of the draft and final report. The incumbent should have extensive overseas program evaluation experience with over 10 years experience conducting both qualitative and quantitative analysis and rapid appraisal methods. This should include USAID experience, preferably in the E&E region. He/she must be thoroughly familiar with techniques of program appraisal. As team leader, the incumbent should possess excellent organizational and team-building skills.
- Three experts: Should possess experience in the area of secondary education in the post-Soviet region. An experience in the area of business education is important. Experience with Junior Achievement programs in other countries preferred. If possible, one or more experts should also have experience with USAID activities. At least one of the experts should have background in institutional development and institutional sustainability.
- Interpreter and Logistics Coordinator: He/she should have knowledge of terminology related to education and youth activities. He or she will translate conversation between the evaluation team and Russian-speaking program participants, as well as any Russian language documents provided to the evaluation team. Experience in simultaneous translation is desired. This person will be also responsible for all necessary actions as a Logistic Coordinator (i.e. schedule, meeting arrangement, tickets, etc.).

APPENDIX B

INTERVIEW GUIDE

INTERVIEW GUIDE

JUNIOR ACHIEVEMENT RUSSIA PROGRAM

INTRODUCTION (As needed.)

We are very grateful for your time.

We are doing a study of the Junior Achievement Russia Program.

The program is funded by USAID and by other supporters.

(The program provides education on economics, market economy, business ethics, and civic responsibility for primary and secondary school students. JAR also provides regional teacher training, and prepares students to participate in national and international competitions where students apply economic theory to practical business situations.)

We are collecting background information and data in order to understand the program and to make recommendations to make it more effective.

We are interested in five areas:

1. Is the Program achieving its intended results?
2. Is the program well managed?
3. Is the program moving toward sustainable without large donor support?
4. What are the strengths and weaknesses of the JAR program?
5. Are there special lessons that have been learned?)

Our discussion is “off the record”. Unless you object, our name will be listed among roughly 100 people that we plan to meet with. There will be no individual attribution.

(Your comments will have absolutely no bearing on funding for your organization.)

(Your comments will have absolutely no bearing on current funding levels for the Junior Achievement Program.)

Our discussion should last about 1 hour. We have some general questions and we have some specific questions.

1. Please, briefly describe your prior experience/involvement with JAR.
2. Do you recall why you became interested in this program?

3. If the interviewee was a direct participant:
 - a. Please describe the JAR training you received.
 - b. As you look back, on balance was the training helpful in your later career?
 - c. As you look back, did the training change the way you thought about business and management?
 - i. Could you explain?
 - d. Do you think the training you received changed the choices you made about your career.
 - i. Could you explain?
4. Do you think the JAR program has had an impact on education in Russia?
 - a. Do you think it has influenced the content of the standard curriculum?
 - b. Do you think it has influenced attitudes of teachers?
 - c. Do you think it has influence the attitudes of officials and policy makers?
5. With regard to the changes that you have mentioned:
 - a. Were these changes inevitable or were they the result of the JAR program?
6. Do you think the JAR program has had an impact on the conduct of business and management in Russia?
 - a. Do you think it has changed the attitudes of young people going into business?
 - b. Do you think it has altered the attitudes of the public toward business and businessmen?
 - c. Do you think it has changed the way business is managed and carried out?
 - d. If possible, could you provide us with some concrete examples?
7. What do you think are the primary strengths of the JAR curriculum and training program?
8. What do you think are the primary weaknesses of the JAR curriculum and training program?
9. (Assuming interviewee has knowledge of program management.)
 - a. Were you pleased or unhappy with the administrative aspects of your interaction with JAR?
 - b. In general is the program managed in an efficient manner?
 - c. We would be interested in any comments you have with regard to relations between the Central Office and the Regional units.
 - i. Are communications clear, open and effective?
 - ii. Do the regional units receive adequate material and financial support?
 - iii. Do the Regional units receive adequate technical support?
 - iv. Do the Regional units receive adequate help in fund raising and development?
 - v. In general, could you comment on the pros and cons of the current JAR organizational structure?

10. (Assuming the interviewee has knowledge of the governance structure)
 - d. Could you comment on the strength and effectiveness of the overall governance structure and operation:
 - i. Does the composition of the Central and Regional Boards of Directors reflect the unique needs of the organization?
 - ii. In general, are board members active and helpful in fund raising and development?
 - iii. Do Board members appear to understand their role and responsibility?
 - iv. Is the board involved in an appropriate way in long range planning?
 - v. Is the overall Board structure effective and supportive of the needs of the organization?
11. With regard to the overall program operation:
 - a. Could you comment on whether or not the number of schools supported by each regional center is adequate or not?
12. With respect to the long term organizational and financial sustainability of JAR.
 - a. Is the corporate sector in Russia interested in supporting the JAR program?
 - i. Could you identify particular sub-sectors of the corporate sector that you feel would be most interested?
 - ii. Is the private foundation sector in Russian interested in supporting the JAR program.
 - iii. Is the government at the central or regional level interested in supporting the JAR program?
 - iv. Are there individuals who might be interested in supporting the JAR program?
 - v. Are there techniques that JAR could use to generate revenue?

APPENDIX C

LIST OF INDIVIDUALS AND ORGANIZATIONS INTERVIEWED

| City | Name | Organization | Position |
|-------------|-------------------------|---|--|
| Kazan | Aidar Abdulhanov | Kazan State Technical University | Student |
| Angarsk | Albert Domnin | TV Program "Angarsk" | Correspondent |
| Volgograd | Aleksey Kukoverov | Volgograd JA | IT trainer |
| Angarsk | Aleksey Ushakov | Irkutsk State Pedagogical University | Prorector |
| Volgograd | Alena Fateeva | Liceum 7 | pupil, 16 11 grade |
| Kazan | Alesya Kashinceva | gimnasium №3, Zelenodolsk, Tatarstan | pupil, 11 grade |
| Angarsk | Alexander Petrov | Baikal State University of Law and Economics | Student |
| Moscow | Alexander Samusev | Retired Officers' Association; JAR Board of Directors | Chief of Analysis Group, Member of Board of Directors |
| Angarsk | Alexander Shupletsov | Baikal State University of Law and Economics | Professor, Chairperson of the Economics and Entrepreneurship faculty |
| E-burg | Alexander Smorodinnikov | School "Korifey", JA | Teacher, methodologist, member of the Organizational Council |
| Angarsk | Alexander Sukhih | Irkutsk State University | Student |
| Angarsk | Alexandr Aleshkov | Irkutsk State University | Student |
| Angarsk | Alexey Chernih | Baikal State University of Law and Economics | Student |
| Angarsk | Alexey Panacikov | Irkutsk State University | Student |
| Volgograd | Alexey Smirnov | Liceum 7 | pupil, 16, 11 grade |
| Kazan | Amina Sabirova | Kazan State University | student |
| E-burg | Anastasia Kravchenko | School 125, School company "Flora Iset" | pupil, 17, 11 grade |
| Moscow | Anastasia Shkinina | Microsoft | Project Manager |
| Kazan | Andrey Kondaurov | Kazan State Financial and Economic Institute | Student |
| Kazan | Andrey Kondratyev | Tatarstan Republican Ministry of Youth and Sports | Deputy Minister |
| E-burg | Andrey Popov | School 125, School company "Flora Iset" | pupil, 13, 8 grade |
| Kazan | Andrey Tyakin | Kazan State Agricultural Academy | student |
| Volgograd | Andrey Varakin | Oblast Committee on Youth | Chairperson |
| Vladivostok | Angelina Kim | Vladivostok state university of economics and service; School of International Business and Economics | Director, Dean Professor |
| Angarsk | Anna Melnikova | | pupil, 11 grade |
| E-burg | Anna Nosko | E-burg JA | Executive Director |
| Angarsk | Artem Alshevckiy | | pupil, 10 grade |

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|-------------|------------------------------|--|--|
| Angarsk | Artem Borovsky | Baikal State University of Law and Economics | Student |
| Novosibirsk | Artem Stupin | ООО "Регион-Резерв" | Генеральный директор; Зам. Председателя ОО НЦ "ДМ" |
| Angarsk | Artem Tatarkin | Irkutsk State University | Student |
| Kazan | Artur Vorobiov | Kazan State Financial and Economic Institute | Student |
| Angarsk | Bendlina Ludmila | "Liceum #1 | Deputy principal |
| E-burg | Christina Nopkina | School 125, School company "Flora Iset" | pupil, 13, 8 grade |
| Moscow | Christopher M. Brown, Ph. D. | United states agency for international development | Director |
| Volgograd | Dmitry Alekseyev | Liceum 7 | pupil, 14, 9 grade |
| Volgograd | Dmitry Antropov | Liceum 7 | pupil, 13, 9 grade |
| Moscow | Dr. Nina G. Kuznetsova | Junior Achievement | Executive Director |
| Vladivostok | Dzheffri Lindstrom | ООО "Развитие лидерства" | Генеральный директор |
| Vladivostok | Ekaterina Chernovitskaya | Department of edication & science | Начальник отдела высшего проф. образования и науки |
| Vladivostok | Elena Borodina | U. S. Consulate General | Commercial Specialist |
| Kazan | Elena Kashinceva | gimnasium №3, Zelenodolsk, Tatarstan | pupil |
| E-burg | Elena Kovbasnuk | School 6, the city of Sukhoi Log | Teacher of Applied Economics |
| Angarsk | Elena Maksimova | School #4 | Teacher at primary school |
| Novosibirsk | Elena Sartakova | Novosibirsk chemical-technological college after Mendeleev D. I. | Deputy Director |
| Volgograd | Elena Streltsova | Volgograd Branch of the Russian Finance and Economics Institute | Professor |
| Novosibirsk | Elena Stupina | НОУ "Бизнес школа Медиа" | Директор ОО НЦ "ДМ" |
| E-burg | Elena Taranzhina | JAR/Pervouralsk | methodologist |
| Angarsk | Elena Zakurdaeva | Employment City Center, Angarsk | Marketing Branch, Director |
| Novosibirsk | Erik Shogren | New York Pizza | |
| Volgograd | Eugenia Nikonova | Institute for Youth Policy and Social Work | Director |
| E-burg | Eugenia Umnikova | Department of Education of the Kirovsky District of E-burg | Head of Department |
| Volgograd | Eugeny Arzhanov | Volgograd regional organization "JA | Chief of Organizational Council |
| Moscow | Galina Novikova | JAR | Methodologist |
| Volgograd | Galina Safronova | Liceum 7 | Teacher of Applied Economics |
| Angarsk | Galina Tatarnikova | Employment City Center, Angarsk | Director |
| Novosibirsk | Gennadiy Sapoznicov | Управление науки, высшего, среднего профессионального образования и технологий | Зам. Главы администрации - начальник управления, доктор |

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|-----------|-----------------------|--|--|
| | | | физико-математических наук, лауреат премии Совета Министров СССР |
| Volgograd | Gerhard Shishatski | Liceum 7 | pupil, 16, 11 grade |
| Kazan | Gulnur Krilova | school №15, Zelenodolsk, Tatarstan | pupil |
| Angarsk | Guzel Cimbaluk | | pupil, 11 grade |
| Kazan | Hamza Kildeev | лицей №83 | pupil, 11 grade |
| Kazan | Ilmir Hakimov | Kazan State Pedagogical University | Student |
| Kazan | Ilya Flax | Kazan State Technical University | student |
| Angarsk | Irina Avtushko | Employment City Center, Angarsk | Deputy Director |
| Angarsk | Irina Bondareva | City Administration, Angarsk | Department of Culture and Youth policy, specialist |
| Kazan | Irina Flax | School #83 | pupil, 11 grade |
| Angarsk | Irina Muraviova | Entrepreneurship School | Director |
| Angarsk | Irina Vorobieva | School # 27 | Teacher of English |
| Angarsk | Irina Zhuravkova | Gimnasium #1 | Teacher of Economics |
| E-burg | Julia Kolmogorova | School 125, School company "Flora Iset" | pupil, 16, 11 grade |
| Volgograd | Julia Petrushova | Liceum 7 | pupil, 14, 9 grade |
| E-burg | Julia Selivanova | School 125, School company "Flora Iset" | pupil, 16, 11 grade |
| Angarsk | Julia Volkova | Newspaper "Time" | Correspondent |
| E-burg | Julia Zinko | School 125, School company "Flora Iset" | pupil, 16, 11 grade |
| Kazan | Kamaletdinova Tatyana | Kazan Regional JA Center | Director |
| E-burg | Ksenia Kozlovskaya | School 125, School company "Flora Iset" | pupil, 16, 11 grade |
| Kazan | Lala Bikchentaeva | Kazan State University | student |
| Moscow | Larissa Potasheva | JAR | Methodologist |
| Angarsk | Lidia Pyannicova | "Liceum #1 | Deputy principal |
| Kazan | Lilia Kildeeva | State Service University | student |
| Angarsk | Lubov Dudenko | City Administration, Angarsk | Chief of Department (Culture and Youth policy) |
| Kazan | Lubov Ovcienko | Tatarstan Republican Ministry of Education | Deputy Minister |
| Kazan | Lubov Semahina | gimnasium №3, Zelenodolsk, Tatarstan | pupil, 11 grade |
| Moscow | Lubov Temina | JAR | Methodologist, School 9 |
| Angarsk | Lubov Vasilieva | Gimnasium #1 | Teacher at primary school |
| Angarsk | Ludmila Borisova | City Administration, Angarsk | Department of Education, Specialist |

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|-------------|------------------------------|---|--|
| Novosibirsk | Ludmila Frolushkina-Andreeva | Новосибирский областной Совет депутатов; Администрация Советского района | Помощник депутата областного Совета депутатов, зам. Председателя правления обл. отделения Российского детского фонда, Заслуженный учитель РФ student |
| Kazan | Ludmila Lukina | Kazan State Pedagogical University | |
| Kazan | Ludmila Zelepuhina | gimnasium№6 | pupil, 11 grade |
| Volgograd | Ludmilla Bondarenko | Liceum 7 | pupil, 16, 11 grade |
| Volgograd | Ludmilla Levushkina | Volgograd JA | Methodologist |
| Volgograd | Ludmilla Malieva | School 121 | Teacher of Applied Economics |
| Kazan | Maksim Timofeev | Humanitarian Academy | Student |
| Moscow | Maria Lvova | US Embassy | Cultural Specialist, Public Affairs Section |
| Kazan | Maria Sidelina | school №15, Zelenodolsk, Tatarstan | pupil, 11 grade |
| Moscow | Marina Mikhailova | USAID | Rule of Law Specialist |
| Moscow | Marina Mikhailova | United states agency for international development | Rule of Law Specialist |
| Angarsk | Marina Tolmacheva | School #10 | Deputy principal |
| Angarsk | Matvey Mihaylov | | pupil, 9 grade |
| Vladivostok | Mezhonov Konstantin | Департамент образования и науки | Зам. Руководителя департамента образования и науки |
| Volgograd | Michail Motorin | JSC Agromashholding, Volgograd JA | "Sales Manager, Member of the Organizational Council |
| Irkutsk | Mihail Larionov | Liceum #2 | Deputy principal |
| Angarsk | Nadezda Karshcova | Irkutsk State University | Student |
| Vladivostok | Nastya Onoprienko | JAV | менеджер |
| Angarsk | Natalia Andrienko | "Liceum #1 | Teacher of Russian literature |
| E-burg | Natalia Idilbaeva | School 125, School company "Flora Iset" | pupil, 16, 11 grade |
| Volgograd | Natalia Petrushova | Liceum 7 | Deputy Principal |
| Vladivostok | Natalia Vitkovskaya | Far Eastern Center for Economic Education | Director |
| Angarsk | Natalya Belous | City Administration, Angarsk | Deputy Chief, Department of Education |
| Angarsk | Natalya Bilinkina | "Liceum #1 | Deputy principal |
| Angarsk | Natalya Borodina | "Liceum #1 | Deputy principal |
| Vladivostok | Natalya Koneva | Far Eastern Center of Economic Education | Lawyer |

| | | | |
|-------------|------------------------|---|--|
| Kazan | Natalya Sergeeva | Kazan State Financial and Economic Institute | student |
| Vladivostok | Natalya Vitkovskaya | JAV | Regional Center Director |
| E-burg | Nikolay Kuznetsov | School 125 | Principal |
| Kazan | Nikolay Nikiforov | "e-Kazan.ru" Portal Company | Director |
| Moscow | Nina Kuznetsova | JAR | Executive Director |
| E-burg | Nina Timopheeva | School 21, the city of Polevsky | Principal |
| Angarsk | Olga Burnina | Irkutsk State University | Student |
| Angarsk | Pavel Rogozin | Irkutsk State University | Student |
| E-burg | Peter Kravtsov | School 125, School company "Flora Iset" | pupil, 13, 8 grade |
| Moscow | Roy Grohs | United states agency for international development | Program Officer |
| Angarsk | Ruslan Hanmurzin | | pupil, 9 grade |
| Kazan | Ruslan Suleymanov | Kazan State University | student |
| Volgograd | Rusllan Lubimov | Volgograd JA | Methodologist |
| Kazan | Rustem Nasirov | Kazan State Technical University | Student |
| Angarsk | Sergey Andracuk | "Liceum #1 | Principal |
| Novosibirsk | Sergey Kibirev | Новосибирский областной Совет депутатов | Генеральный директор ГУП "Фонд жилищного строительства Новосибирской области"; депутат областного Совета |
| Angarsk | Sofya Egorova | | pupil, 11 grade |
| Vladivostok | Suprunova Svetlana | Комитет экономического развития, Отдел поддержки предпринимательства | Консультант |
| Kazan | Svetlana Lipacheva | Kazan State Technical University | student |
| Novosibirsk | Svetlana Makarova | Информационно-педагогический центр управления образования администрации Советского района | Старший методист РОО г. Новосибирска |
| E-burg | Svetlana Malukhina | School 125, School company "Flora Iset" | pupil, 16, 11 grade |
| E-burg | Svetlana Ryaposova | Image Agency "Time", JA | Executive Director, member of the Organizational Council |
| Kazan | Svetlana Tambova | School #85 | pupil, 11 grade |
| Angarsk | Tamara Petukhova | School #18 | Teacher at primary school |
| E-burg | Tatiana Perevozchikova | E-burg JA | Chairperson of the Organizational |

| | | | |
|---------------|-------------------|--|-------------------------------|
| | | | Council, methodologist |
| Angarsk | Tatiana Ugorelova | "Liceum #1 | Teacher of English |
| Angarsk | Tatiana Zabashta | School #19 | Teacher of Economics |
| Kazan | Tatyana Halilova | gimnasium #7 | pupil, 10 grade |
| Angarsk | Tatyana Karaseva | Angarsk regional JA Center | Director |
| Novosibirsk | Tatyana Kulevcova | Областное отделение Российского детского фонда | Координатор программ |
| Angarsk | Tatyana Melnicova | Baikal State University of Law and Economics | Student |
| Angarsk | Ulia Evctigneeva | | pupil, 11 grade |
| Angarsk | Ulia Snihovckaya | | pupil, 10 grade |
| Angarsk | Uliana Andrienko | Mnewspaper "Week" | Correspondent |
| E-burg | Uliana Titova | School 125, School company "Flora Iset" | pupil, 12, 8 grade |
| Moscow | Vadim Gorelenko | JAR | Deputy Director |
| Volgograd | Valeriy Antropov | Liceum 7 | Layer, Computer Specialist |
| Angarsk | Vera Savchenko | School #32 | Teacher of Russian literature |
| Moscow | Vera Shalnova | JAR | Methodologist |
| Kazan | Veronika Dubinina | Kazan State University | Student |
| E-burg | Viktor Zaritovsky | School 21, the city of Polevsky | methodologist |
| Kazan | Vladimir Lukin | Kazan State Pedagogical University | student |
| Angarsk | Yana Hodchenkova | | pupil, 8 grade |
| Kazan | Zarifula Tagirov | School #1 | pupil, 10 grade |
| Miscellaneous | Jack Harris | JA Worldwide | VP International Operations |
| Miscellaneous | Ann Richards | JA Worldwide | Operations, Atlanta |
| Miscellaneous | Caroline Jenner | JA Worldwide | Regional Director, Europe |
| Miscellaneous | Nancy Keel | JA Worldwide | Regional Director, Asia |
| Miscellaneous | David Chernow | JA Worldwide | President and CEO |

APPENDIX D

LIST OF DOCUMENTS CONSULTED

1. General information about Junior Achievement, Russia, miscellaneous reports, letters, tables from JA Russia, Moscow Office.
2. Quarterly performance reports (October 2000 - January 2003)
3. JAR – Program Description (September 1, 2004)
4. JA Russia Project Data (for period October 1 – December 31, 2000)
5. Junior Achievement, Russia – Annual Work Plan (January 2000)
6. JAR – Program Description (Sept.1998 – Aug.2000)
7. JAR – Program Evaluation, September 13, 2004; Work Plan Schedule
8. JA WORLDWIDE Operating Agreement
9. JA WORLDWIDE Policies Manual for Member Nations
10. Performance Indicator Reference Sheet (2)
11. JAR – Civics and Information Technology Component. Work Plan (Oct.2003 – Sept.2004)
12. Quarterly performance report (July 2004)
13. Proposal for USAID from JAR for 2-year grant (July 1998 – June 2000)
14. JA Russia Organizational Structure
15. JAR Organizational Standards
16. Letter to the Moscow City Government (request for the free space for the School Companies Contest)
17. JAR By-Laws
18. JAR National Office job descriptions
19. Sample programs for elementary, middle and high school by the RF Ministry of Education
20. IPO Junior Achievement Russia Fund Accountability Statements of USAID Grant # 118-G-00-98-00151-00, 1999, 2000, 2001, 2002, 2003
21. USAID/Russia Strategy Amendment (1999-2005)
22. JA Regional office (Tula) By-Law

APPENDIX E

THE JA RUSSIA ORGANIZATIONAL STRUCTURE

Junior Achievement Russia is registered by the Moscow Department of Justice of the Ministry of the Russian Federation as an Interregional Public Organization (IPO)– a voluntary, self-administrating, non-commercial organization based on membership to achieve the purposes specified by the Charter.

The purpose of Organization is:

- to promote the theoretical education and organization of practical training in the foundations of economic and business in Russia in accordance with the purposes, principles and standards of the Junior Achievement international educational movement;
- to distribute and adapt to the Russian conditions the training programs designed by Junior Achievement for the purpose of promotion of harmonious development of individual and organizational and professional skills through additional education in the field of management, organization and conduct of business.

JA Russia's Charter was approved by Conference of the Organization on May 12, 1999. The Charter reads as follows:

Charter (by-laws) **For Youth Achievement, Russia** **Inter-regional Community Organization**

The Inter-regional Community Organization "Youth Achievement, Russia" (further to be referred to as Organization) is a voluntary self-steered not-for-profit formation which has been created by the initiative of the citizens who got together on the basis of community of interests in order to implement common goals determined by the present By-laws.

Goals and objectives

2.1. The goals of the Organization are:

- promotion of the development of theoretical training and organization of practical training in fundamentals of economics and enterprise in Russia in accordance with the goals, principles and standards of the International Training Movement "Junior Achievement";
- dissemination and adaptation for the Russian environment of the training programs developed by the International Training Movement "Junior Achievement" in order to promote harmonious development of the personality, organizational and professional skills by means of obtaining additional education in management, organization and business.

2.2. Based upon these goals the Organization in accordance with the acting legislation is to meet the following goals:

- translates and adapts Junior Achievement Training Programs to the national culture, language and system of Russian education;
- carries out educational activity (in the order determined by the acting legislation), including cooperation with governmental institutions and introduction of JA training programs into their curriculums, as well as by way of creating non-governmental educational institutions, training centers, organization of courses for additional education in economics;
- attracts Russian and international investors and donors for the implementation of the goals determined by the current By-laws;
- promotes organization and carrying out of scientific and practical research in education;
- organizes and conducts Russian and international workshops, conferences, symposiums and meetings on issues of training trips, exchange of experience and continued education courses for teachers, organizes authors' lectures and meetings with international specialists;
- creates consultation centers on issues related to the implementation of Junior Achievement training programs, organizes their work;
- promotes the development of progressive forms of education and training of specialists in the sector of education;
- interacts with state authority organs and local administration, community organizations, scientific and educational institutions, mass media, regarding consolidation of efforts aimed at the development of the sector of education;
- organizes and supports the functioning of the system of effective collaboration between specialists in education, interested governmental authorities, local authorities, foreign and international organizations, for the implementation of the laws of the Organization stated in the by-laws;
- promotes the supplies of educational institutions which take part in the Junior Achievement program, training materials and manuals;
- disseminates information regarding the Junior Achievement informational training movement;
- promotes the organization and financing of works of permanent and temporary research centers and productive teams, courses of pedagogical and other humanitarian activities;
- conducts community expert evaluation of JA training programs disseminated across the territory of Russia, public monitoring over the observing of copyright for these programs;
- organizes professional training for children and young people in training groups and individually;
- conducts consulting and information services regarding problems of education and other issues related to training and education;
- organizes the exchange of experience regarding alternative education with Russian and foreign organizations, scientists and public figures;
- develops the terms and promotes competitions and tenders for the executors of JA projects;
- studies and analyzes the market of modern training technologies, studies and summarizes international experience in the area of economic education, cultural exchanges, international student and teacher exchanges;

- promotes the development of draft law projects and other normative acts aimed at the regulation of community relations in the area of education;
- promotes preparation, publishing and dissemination of informational reference materials, educational and popular literature, training manuals;
- establishes mass media and carries out publishing activities (in the order determined by the acting legislation);
- provides informational activities in electronic and printed mass media and information networks (within the order determined by the acting legislation);
- carries out other activities which are not forbidden by the acting legislation, the current By-laws and aimed at the achievement of the goals and objectives specified in the By-laws.

Members, their rights and responsibilities

3.1. The members of the Organization can be citizens of the Russian Federation over the age of 18, foreign citizens and persons without citizenship as well as juridical persons – community organizations, who share the goals and objectives of the Organization and take part in its activity.

3.2. Acceptance to membership in the Organization for physical persons is carried out on the basis of an application written by the applicant and is formalized by the decision of the Board of the Organization.

Acceptance to membership for juridical persons – community organizations is carried out by the Board of the Organization on the basis of the decision of the authorized organ of the community organization.

3.3. The Organization has the right to accept Honorary members. Honorary members can be citizens of the Russian Federation who are of legal age, foreign citizens and people without citizenship who have made a significant contribution to the activity of the Organization.

Governing, executive and monitoring/auditing organs

4.1. The highest governing organ of the Organization is the Conference which is assembled once a year. An extraordinary Conference is assembled in case of need of certain decisions to be made, which are within sole competency of the Conference:

- based on the decision of the Board of the Organization;
- based on the demand of no less than one third of the members of the Organization;
- based upon the decision of the Auditing committee of the Organization.

4.2. The following are within the exclusive competency of the Conference:

- approval of the Charter (by-laws) and subsequent changes and additions to it (the decision is to be made by $\frac{3}{4}$ of the votes) with subsequent registration in the order determined by law. Changes and additions get legal power since the moment of such registration;
- decisions regarding dissolution and reorganization of the Organization (the decision is to be made by $\frac{3}{4}$ of the votes);
- election of the Board of the Organization, the Chairperson and the members of the Auditing Committee of the Organization;
- determining of the current objectives and long-term programs of the Organization;

- approval of the reports made by the Board of the Organization and the Auditing Committee;
- making decisions on any other issues regarding the activity of the Organization.

4.4. During the period between the Conferences the permanently acting governing organ of the Organization is the Board of the Organization which is elected for a period of two years, the number of members is to be determined by the Conference.

Meetings of the Board of the Organization take place whenever needed, but no less frequent than once every six months.

4.6. The Board of the Organization:

- makes decisions regarding acceptance or expulsion from the members of the Organization;
- elects the Chairperson and Deputy Chairperson of the Board;
- based on the introduction of the Chairperson of the Board, solves questions regarding the entry of the Organization into other community organizations, creation of structural units, as well as establishment of associations, societies and other organizations and participation in their activity;
- reviews and approves the programs and workplans of the Organization;
- makes decisions regarding major transactions (purchase, amortization or possible amortization by the Organization of property the cost of which exceeds 300 minimum salaries)
- makes decisions regarding assembly of the Conference;
- organizes execution and monitors the fulfillment of decisions made by the Conference;
- determines the size and order of payment of entry and membership fees;
- approves the structure and list of members of staff for the Organization;
- approves the Provisions regarding the Executive directorate of the Organization, appoints the Executive director and members of the Executive directorate;
- establishes councils and working committees, approves the Provisions regarding their functioning;
- makes decisions regarding other issues of the activity of the Organization except for those which are within the competence of the Conference.

4.7. The Chairperson of the Board of the Organization is elected by the Board from among its members.

The Deputy Chairperson of the Board is elected at the meeting of the Board from among its members.

4.9. The Executive directorate is an executive organ of the Organization. Its work is organized by the Executive Director.

4.10. The Executive Director of the Organization is appointed by the Board of the Organization and is accountable to it.

4.11. The Auditing Committee is elected by the Conference from among the members of the Organization for a period of two years, the number of members is determined by a General meeting.

The Auditing Committee supervises the financial and administrative activity of the Organization, the condition and accounting of stocks of materials.

Structure of the organization

- 5.1. The structure of the Organization consists of its departments, subsidiaries and representative offices.
- 5.2. The regional departments of the Organization are created in the subjects of the Russian Federation (republics, regions, oblasts, cities of federal importance, autonomous region, autonomous districts). Only one regional department of the Organization can be established in one subject of the Russian Federation.
- 5.4. In case of state registration of the department as a juridical person it acts on the basis of the current by-laws and its own by-laws and has full business independence.
- 5.5. In case of establishment of a department of the Organization without its state registration is does not obtain the rights of a juridical person and acts on the basis of the current by-laws.

Academician E. P. Velikhov is JA Russia's founder and current Chairman of the Council.

APPENDIX F

EXAMPLE OF A SCHOOL BUSINESS PLAN

Closed joint-stock company “Ferrum” was founded in 2004. It was founded by Makhmudova Ekatherina Anatolievna, Melnikova Tatyana Victorovna, Burnina Olga Andreevna and Karshkova Nadezhda Sergeevna. The company is located in Russia, 650060, the town of Angarsk, Lenin prospekt, 137/3 telephone/fax (3951) 53-64-09.

Company “Ferrum” produces roofing material and units fore pouring off. Activity of the company is aimed at providing with supplies of roofing elements for construction firms and trading firms of Angarsk and Irkutsk region, according to the main directions of social-economic development of Irkutsk region.

1. The aim of the business plan.

The Form of property of “Ferrum” company is private; the main business is production of roofing material. Production equipment is located on rented area. There are depositories for metal and polimeric materials and for ready production.

THE AIMS OF THE BUSINESS PLAN ARE:

- Basing our arguments on facts of profitability of development of “Ferrum” company in the way of building a shop for production of roofing material elements and pouring off system, based on new technology of covering units with polimeric material;
- Satisfaction of demand for mentioned above construction material and providing opt supplies of roofing material for construction and trading firms of Angarsk and Irkutsk region according to the main directions of social-economic development of the region;
- Getting profit for the company, which is sufficient for paying off the credits and accumulation of clear profit for further growing of consumption funds for the company personnel and development of production, timely and full paying off the credits.

Characteristics of the market.

The market is regional, aimed markets are divided into 3 segments according to the level of the population income and the prices for production in assortment. Competition environment can be analysed, the competition level is middle and under middle. Part of the market in Angarsk is 30-40 per cent, the demand is cycled, and has a tendency for growing.

The investment intention is to buy the main technological equipment for the new production storehouse which will be producing roofing materials and pouring off system elements which are covered with polimeric materials for cottage type buildings. Preliminary talks on enlargement of purchases of materials and on sales of ready made production, intention protocols have been signed. The personnel have been taught and trained, the models of new

production have been produced, probe batches have been sold. Putting into operation of the new storehouse will be done according to the organisation plan in 3-4 weeks after buying the equipment. Into full power the storehouse will be put in the fourth quarter of 2004.

The results of fulfillment of investment project.

In full capacity of the new storehouse the volume of turn over will be 975,0 thousand roubles in the quarter; the company expenses for the main materials will be 450,0 thousand roubles in the quarter; accumulated clear profit in the first quarter after settling accounts with the bank will be 288,0 thousand roubles; profitability will be 38.8 per cent.

Risk factors in the project are changing of taxes and bank legislation or sharp falling down of population incomes (falling down of demand, force-major circumstances connected with changes of economic situation in the country in the whole).

Year finance needs are 326,0 thousand roubles on the terms of bank rate – 60 per cent yearly, on the terms of credit – 12 months. Needed support can be clearing off credit percentage and pledge guarantees from regional funds.

2. Company and production. Investment intentions.

Company “Ferrum” has been founded in the year 2004 on the basis of private investments of physical persons (regulation and registration documents are enclosed). The main kind of activity is industrial: manufacture of roofing covers.

The company happened to be the first private company in the town specializing in manufacture only such group of goods.

The main funds of the company are located in two industrial sites, including machine-tools for cutting list metal, for cold stamping, machine-tool for rolling metal, equipment and devices for fitting ready made wares.

According to investment intention “Ferrum” , based on market study on the elements of roofing cover and pouring off units in the region, a new assortment of progress kinds of production has been invented. It includes:

1. Gutter
2. Funnel
3. Bend
4. Holder of gutter
5. Holder of pouring off system
6. Comb of the roof (simple)
7. Comb of the roof (special design)
8. Passage to gutter
9. Front cover
10. Window pouring off
11. Unit for leading aside the wall.

Every assortment unit of goods is manufactured from corresponding kind of taken material, which is of high quality and is of forecasted level of prices for a unit (see the table 3.2.).

Big expenses for up-to-date equipment will be necessary in the process of carrying out the orders for fulfillment of commercial strategy of the company (see the table 2.1.).

Expenses on assembling and arrangement of equipment, and on the first necessity in materials on the first step of commodity circulation, are also included in the objects of investment.

*Table 2.1.
Objects of investment*

| Names of equipment | Type | Value (thousands of roubles) |
|---|---------------|-------------------------------------|
| 1. Machine-tool for cutting metal | SP 2500 | 60 |
| 2. Hydraulic press | order | 50 |
| 3. Drying room | order | 10 |
| 4. Apparatus for covering with polimeric material | order | 16 |
| Total for equipment: | | 136 |
| 5. Assembling, arrangement | contract | 120 |
| 6. Initial stock of material | in assortment | 70 |
| Total: | | 326 |

Making probe batches in assortment let the company study and master the peculiarities of operations, get skills in work, carry out probe purchase of goods to study consumers demand.

Plan-graph of realization of investment intention in kinds of work and periods of time are represented in the table 5.1.

3. Market analysis. Choosing managing sector.

3.1. Choosing quota of element consumption.

Production of the storehouse in assortement is directed at satisfaction of demand in roofing elements and elements of pouring off system practically in all units, necessary for buildings.

Type and individual building (private cottages, country houses, etc.) can be grouped according to the number of stories (1-3) and total home area (80 - 250 sq.m.). According to these sings average need in roofing and pouring off elements for one building.

Standard data of average need in elements for one building is represented in the table 3.1 (Column 2).

3.2 Signs of market segmentation.

A seller's market of the storehouse manufacturing goods is segmented on the following signs:

1. Kind of consumers:

- construction firms – 55%
- individual builders (new houses) – 30%
- individual consumers (house repair) – 15%

Levels of clients' income and prestige (Kind of roofing material):

- high level (Finnish material) – 10%
- middle level (zinc metal covered with polimeric material) – 40-50%
- relatively low level (metal with polimeric cover) – 35-40%

2. Geographical area of market:

- Angarsk – 55%, from them:
- contracts – 1/5
- retail sales – 4/5
- Irkutsk region – 35%, from them:
- contracts – $\frac{3}{4}$
- opt sales – $\frac{1}{4}$

Level of prices is varied.

Table 3.1

Need for elements of roofing material for one building and managing sector of market per year.

| Name of elements | Average standard of expenses for building | Number of consumers per year | Annual necessity in elements | | | |
|---------------------------------|---|------------------------------|------------------------------|-----------|------|------|
| | | | Total | In groups | | |
| | | | | 1 | 2 | 3 |
| 1. Gutter (m) | 40 | 80 | 3200 | 800 | 1280 | 1120 |
| 2. Funnel (un.) | 5 | 54 | 270 | 54 | 134 | 81 |
| 3. Bend (un.) | 15 | 541 | 810 | 120 | 440 | 240 |
| 4. Holder of gutter | 80 | 75 | 6000 | 1200 | 3000 | 1800 |
| 5. Holder of pouring off system | 25 | 112 | 2800 | 560 | 1120 | 1200 |
| 6. Comb of the roof (simple) | 20 | 160 | 3200 | 640 | 1280 | 1280 |

| | | | | | | |
|--------------------------------------|-----|-----|-------|------|------|------|
| 7. Comb of the roof (special design) | 25 | 64 | 1600 | 160 | 800 | 640 |
| 8. Passage to gutter | 13 | 82 | 1066 | 213 | 426 | 427 |
| 9. Endovaya | 21 | 51 | 1071 | 214 | 428 | 429 |
| 10. Front cover | 30 | 71 | 2130 | 426 | 1065 | 639 |
| 11. Window pouring off | 120 | 40 | 4800 | 480 | 2880 | 1440 |
| 12. Bend for leading aside the wall | 40 | 80 | 3200 | 320 | 1280 | 1600 |
| 13. Metal tile | 75 | 267 | 20025 | 4000 | 8000 | 8000 |
| 14. Pouring off tube (0,88 m.) | 25 | 240 | 6000 | 600 | 3600 | 1800 |

Prices for elements of roofing cover and pouring off system are represented in the table 3.2.

Table 3.2.

Price prognosis for elements of roofing cover and pouring off system.

| | Prices (in roubles) | | |
|--------------------------------------|----------------------|---|---------------------------------------|
| | Finnish material | Zincd metal covered with polimeric material | Metal covered with polimeric material |
| 1. Gutter (m) | 50 | 40 | 30 |
| 2. Funnel (un.) | 100 | 80 | 60 |
| 3. Bend (un.) | 70 | 50 | 40 |
| 4. Holder of gutter | 20 | 20 | 20 |
| 5. Holder of pouring off system | 35 | 35 | 30 |
| 6. Comb of the roof (simple) | 40 | 30 | 25 |
| 7. Comb of the roof (special design) | 85 | 55 | 45 |
| 8. Passage to gutter | 25 | 20 | 15 |
| 9. Endovaya | 40 | 30 | 20 |
| 10. Front cover | 40 | 30 | 25 |
| 11. Window pouring | 25 | 20 | 15 |

| | | | |
|--|-----|-----|----|
| off | | | |
| 12. Bend for leading aside the wall | 25 | 20 | 15 |
| 13. Metal tile | 220 | 150 | 90 |
| 14. Pouring off tube (0,88 m.) | 70 | 50 | 40 |

Note: Price of assembling the roof is 30-50% of material price.

Segments of managing market of annual consumption of the storehouse production in names and according to the price level are represented in the table 3.1 (columns 5-7).

3.3 Prognosis of ready made production sales.

Commercial strategy of business accounts season changes of demand on ready made production, but company's basic personnel policy is aimed at keeping and strengthening highly skilled specialists during the whole period of production.

The company reserves warehouses for storage of ready made production in order to compensate changes in demand during different seasons.

At the same time reserves of finance for initial purchase of metal and polimeric material in autumn winter period 2004-2005 will be necessary for chosen tactics of production and sales. It is taken into account in production and financial plans of the company (see below). For making calculations of sales prognosis it's better take demand on production in quarters (see table 3.3).

Practice of "sliding graphic" of vacation, which is used on the company allows carrying out production during all twelve months of the year. Proceeding from this, and from the table data 3.3, we get sales volume (volume of turn over) per year under condition of full work of the storehouse : $975030 \cdot 4_{qu.} = 3.900.120$ roubles.

Table 3.3.

Sales prognosis in quarters (in roubles)(see the second file)

Tactics of putting into operation and mastering full power of the storehouse, and entering the sales market is represented in Marketing Plan.
(see unit 5)

3.4 Competition analysis.

Growing volume of copetitor's production from different regions makes the company lead up-to-date and precise account of changing circumstances in order to provide guaranties for sales of our own production in planned volumes and reasonable prices for the company.

Counteraction to the competitors from other regions is done by the company in the form of price discrimination, establishing retail prices for company production lower than competitor's. Such policy is sufficient especially for the market sector with low-levelled income consumers, where is high flexibility between demand and price.

Important for investment intention and commercial strategy of the company is activity of such firms: "Siberia" from Irkutsk, "Consul LTD" from Angarsk and "Alina" from Usolie-Sibirskoye.

Competitive analysis of prices on competitor's production is given in the table 3.4.

Relatively high prices for roofing cover elements and pouring off system are because of additional expenses for transport for other towns firms and preference for expensive cover for the firm "Alina" from Usolie-Sibirskoye (see table 3.4).